LABOR
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BETTER JOBS INDEX 2026

Latin America achieves historic levels of employment quality, although they remain insufficient for most of the population

COUNTRY DATA

Social Protection and Labor Markets
Division – Labor Observatory

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Employment Quality Reaches Record Levels in Latin America, Yet Remains Out of Reach for Most Workers

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

To identify opportunities to boost productivity in Latin America and the Caribbean, the Inter-American Development Bank continuously monitors the evolution of the region's labor markets.

To fulfill this mission, **one of its main tools is the Better Jobs Index. Updated every two years, the Index measures both the quality and quantity of employment** in a region where most working-age individuals participate in the labor market. Nearly 70% of this population depends exclusively on work to generate income and support their households.[1]

The quantity dimension captures quantitative aspects of employment, such as labor force participation and employment rate. On the other hand, the quality dimension measures key aspects such as labor formality and whether earnings are sufficient to rise above poverty.

This report **analyzes the evolution of the Better Jobs Index between 2010 and 2024.** It also examines differences in employment quantity and quality between men and women, as well as between youth and adults, and explores the implications for the future of work in the region.

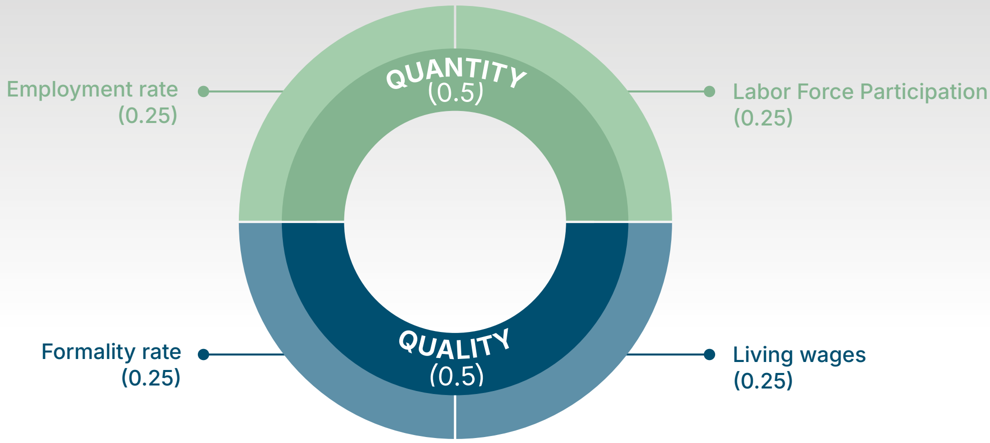
One of the main findings is that **employment quality reached its highest level since 2010 in 2024.** However, this progress remains insufficient: the quality index stands at 40.6 on a scale from 0 to 100. This means that more than half of workers in the region continue to face informality and earn incomes that do not allow them to overcome poverty.

High levels of informality contribute to low earnings, increased poverty, and greater inequality. They also limit productivity growth and deepen the region's economic challenges.

1 The 2026 edition of the Better Jobs Index uses the most recent and comparable information available across countries, corresponding to 2024, which is the latest year available for most countries.

WHAT DOES THE BETTER JOBS INDEX MEASURE?

Weights of the Better Jobs Index



QUANTITY OF EMPLOYMENT	QUALITY OF EMPLOYMENT
Labor force participation: the share of the working-age population that is either employed or unemployed and actively seeking work. **Employment rate:** the share of the working-age population that is employed.	**Formality:** the share of formal jobs relative to the working-age population. **Living wages:** the share of jobs that provide earnings sufficient to afford a basic standard of consumption, relative to the working-age population.[2]

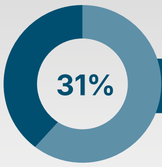
When analyzing labor market developments through the Better Jobs Index, a **gradual upward trend is evident between 2010 and 2024, interrupted by a sharp decline during the pandemic.** By 2024, the region recovered the levels observed before the health crisis.

However, **this recovery has been uneven across the Index's components.** The quantity dimension has returned to its pre-pandemic level but remains largely stagnant, with a relatively high score of between 74 and 75 points. **The quality dimension has shown modest improvement in recent years**, slightly surpassing pre-pandemic levels, although from a much lower starting point.

This pattern highlights that, beyond employment recovery, **the region's main challenge remains improving employment quality.** Promoting policies and actions that foster the creation of formal jobs and jobs that provide living wages continues to be one of the most important priorities for Latin America and the Caribbean.

2 The Index uses a modified definition of the working-age population (WAP): all individuals aged 15 to 64 are included, except those who attend school full-time and neither work nor actively seek employment.

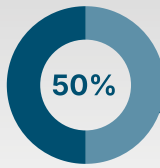
WHAT DO WE MEAN BY EMPLOYMENT QUALITY?



FORMALITY

Does the job provide access to social security benefits?

Regional overview
Informal employment in the region reached 69% in December 2024.



LIVING WAGES

Do wages in Latin America and the Caribbean exceed the poverty threshold?

Regional overview
Half of the region's working-age population lives in working poverty, meaning that labor income is insufficient to rise above the poverty line of US$1.95 per day in 2011 PPP terms.

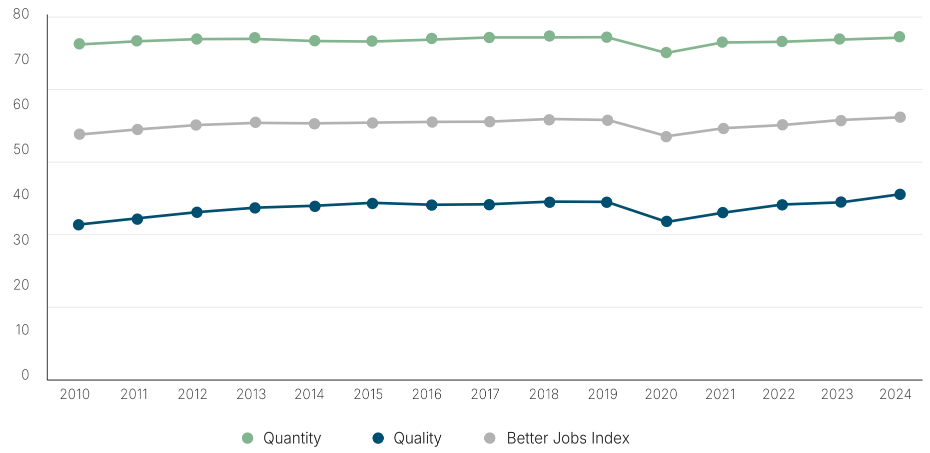
Evolution of the Better Jobs Index from 2010 to 2024

During the 2010–2024 period, **the Better Jobs Index in Latin America and the Caribbean experienced significant fluctuations**, reflecting the structural complexities of the region's labor markets. Overall, the Index increased from 54.9 in 2010 to 58.0 in 2024, suggesting a general upward trend despite periods of setback, particularly during the pandemic.

The quantity dimension showed only modest progress over the period. Its score increased from 73.9 in 2010 to 75.4 in 2024, reaching its highest level during the series. However, this progress has not been sustained: the region had already recorded similar levels in years such as 2012, 2013, and 2018, highlighting long-term stagnation in this component.

The quality dimension has followed a more favorable trajectory, although from considerably lower levels. Its score increased from 35.6 in 2010 to 40.6 in 2024, reaching the highest level recorded in the series. While the pandemic caused a sharp decline in 2020, this dimension has recovered steadily since then. By 2024, it had not only fully recovered from the effects of the crisis but had also resumed the positive trend observed before 2020.

Figure 1. Evolution of the Better Jobs Index and Its Components



Source: Labor Observatory. Better Jobs Index.

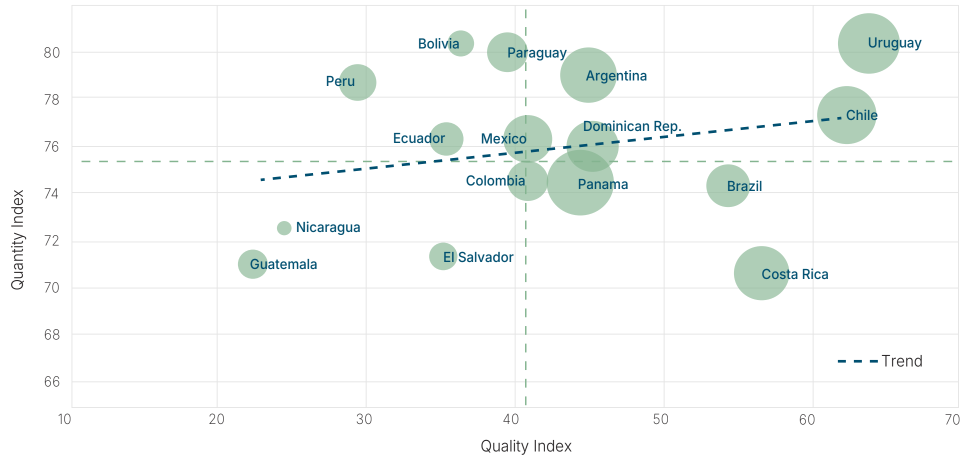
When analyzing the Better Jobs Index by country, **Uruguay, Chile, and Brazil recorded the highest overall scores in 2024.** However, when the Index is broken down into its components, important differences emerge.

In the quality dimension, Costa Rica replaces Brazil among the leading countries, while Paraguay takes its place in the quantity dimension. This suggests that Brazil's performance has been relatively balanced across both dimensions, whereas Costa Rica and Paraguay have made more pronounced gains in a single component: employment quality in the former and employment quantity in the latter. These differences reflect the diverse trajectories observed across the region and highlight that countries do not necessarily advance simultaneously in both the quantity and quality of employment.

Likewise, **a positive relationship can be observed between the level of economic development and employment quality.** Countries with higher GDP per capita tend to achieve better outcomes, particularly in the quality dimension. This suggests that economic growth remains a key driver of labor market performance. However, this relationship is neither automatic nor sufficient on its own.

The evidence also indicates that income distribution and country-specific institutional characteristics significantly influence labor market outcomes. In this regard, both the level and the distribution of wealth are central factors in understanding disparities in the quantity and quality of employment across the region.

Figure 2. Better Jobs Index Components and GDP per Capita*



Source: Labor Observatory. Better Jobs Index.
*GDP per capita is the size of each country's circle.

By examining the minimum and maximum values, as well as the dispersion across countries, it is possible to assess not only whether the region is making progress, but also whether that progress is becoming more equitable.

Between 2010 and 2024, the Index shows an overall upward trend. The highest score increased from 67.7 to 72.2 points, while the lowest score rose from 38.0 to 41.2 points. This indicates that, in aggregate terms, **countries across the region have made progress. However, the gap between the best-performing and worst-performing countries has remained relatively stable**, ranging from 24 to 31 points during this period. This suggests that, although all countries have improved, the differences between them have not narrowed significantly; that is, there has been little evidence of convergence.

In the quality dimension, these gaps are even more pronounced and persistent. In 2010, the difference between the highest- and lowest-performing countries in terms of employment quality was 31.2 points; by 2024, this gap had widened slightly to 34.8 points. In other words, not only has convergence failed to occur, but dispersion has increased. This reflects that some countries have made significant progress in formality, earnings, and social protection, while others have lagged, deepening structural inequalities in this dimension.

In contrast, **the quantity dimension exhibits a more favorable pattern.** The gap between countries narrowed from 16.7 points in 2010 to 9.8 points in 2024, indicating a process of convergence: countries with lower levels of labor force participation and employment have moved closer to the performance of the region's leaders. Although the pandemic caused a significant disruption in 2020, the subsequent recovery was relatively swift, and the convergence trend resumed.

Together, **these findings show that the region has made progress in job creation, but not necessarily in job transformation.** While the quantity of employment tends to converge across countries, employment quality remains the region's main challenge and a persistent source of inequality. **The task ahead, therefore, is not only to create more jobs but also to substantially improve their conditions by transforming existing jobs into quality employment opportunities.**

Figure 3. Better Jobs Index: Quality and Quantity Dimensions by Country, 2024

Source: Labor Observatory. Better Jobs Index.

Gender Inequalities in the Labor Market: Limited Progress and Persistent Challenges

The differences between men and women in the Better Jobs Index and its components between 2010 and 2024 are shown in Figure 4. The gap in the overall Index declined from nearly 24 points at the beginning of the period to approximately 21 points in 2024, **suggesting progress—although limited—in reducing gender inequalities in the labor markets of Latin America and the Caribbean.**

When the Index is broken down into its components, **most of the gap is explained by the quantity dimension**. Historically, the difference in this dimension has been significantly larger than in the quality dimension, exceeding 30 points in 2010. Although **this gap has gradually narrowed, it remains substantial,** standing at around 26 points in 2024. This reflects persistent disparities between men and women in labor force participation and access to employment across the region.

Figure 4. Gap Between Better Jobs Index Scores of Men and Women by Year

Source: Labor Observatory. Better Jobs Index.

The gap in the quality dimension, meanwhile, is smaller and has remained relatively stable over time, fluctuating around 17 points at the beginning of the period and narrowing only slightly by 2024. While this suggests some convergence in areas such as formality and earnings, it also indicates that progress has been modest. Overall, the data suggest that, **although the region has made headway in reducing gender disparities, significant structural challenges persist, particularly regarding women's access to the labor market.**

Between 2010 and 2024, the gap between men and women narrowed by approximately 0.22 points per year. At this pace, it would take another 95 years to close the 21-point gap observed in 2024.

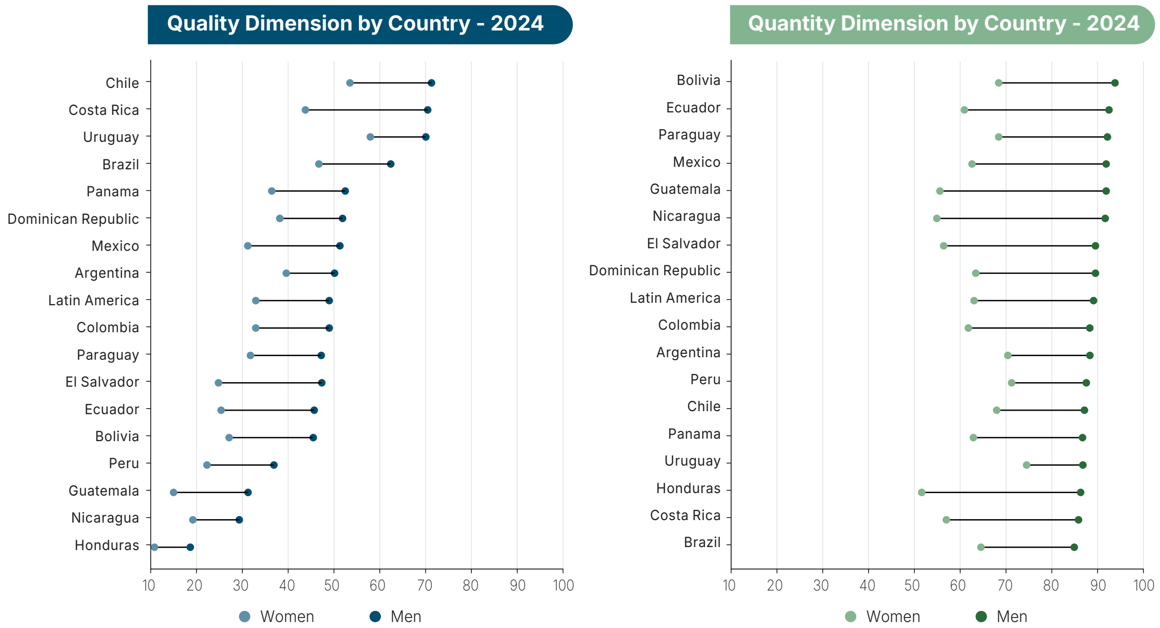
It is essential to accelerate efforts to reduce gender disparities in the labor market, both in quantitative and qualitative terms, in order to ensure equal access to opportunities. The gender gap reflected in the Better Jobs Index provides a clear picture of how employment opportunities are distributed across the region and offers valuable insight into the labor market conditions faced by households throughout Latin America and the Caribbean.

Country-level results for the quality dimension of employment reveal gender gaps across the entire region in 2024, with men outperforming women in every country. However, the magnitude of these differences varies considerably. As illustrated in Figure 5, Chile, Costa Rica, and Uruguay record the highest levels of employment quality for both men and women, yet they still maintain significant advantages in favor of men.

By contrast, countries such as Nicaragua and Guatemala exhibit both lower levels of employment quality and smaller gender gaps. This suggests that lower inequality does not necessarily imply better labor market conditions; rather, it may reflect uniformly low levels of employment quality for both groups.

Overall, these findings show that even in the region's most advanced countries, significant challenges remain in reducing gender gaps in formality and earnings.

Figure 5. Gender Gaps in Better Jobs Index Quality and Quantity



Source: Labor Observatory. Better Jobs Index.

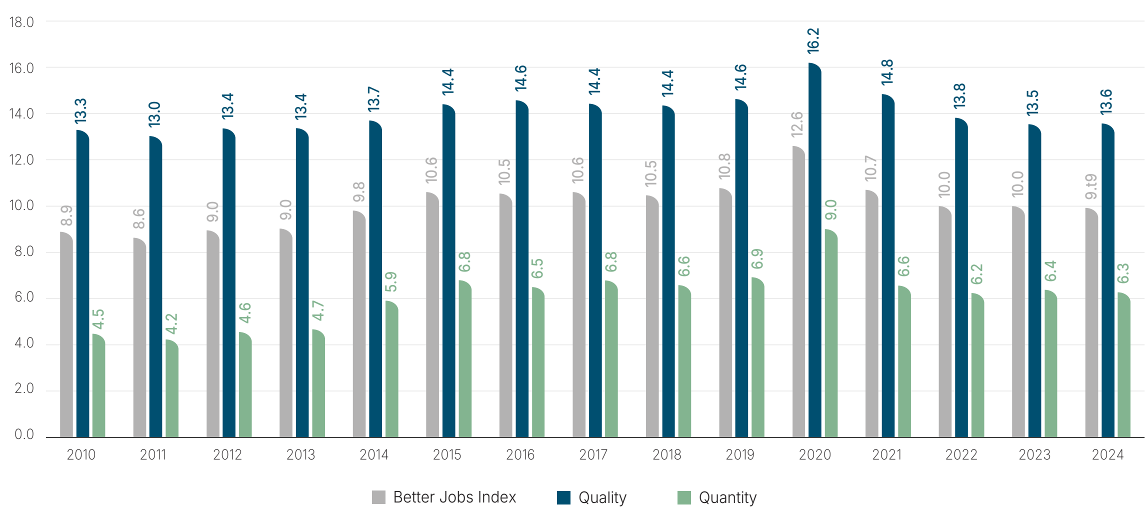
In the quantity dimension of employment, gender differences are even more pronounced and consistent across the region. In every country, men exhibit significantly higher levels of labor force participation and employment than women, with particularly wide gaps in countries such as Bolivia, Ecuador, and Paraguay. Even in economies with stronger overall labor market outcomes, such as Chile and Uruguay, these disparities remain substantial.

Unlike the quality dimension, which shows greater variation across countries, the quantity dimension reveals a more consistent pattern of women's relative exclusion from the labor market. **This suggests that the region's primary gender-related challenges are concentrated in access to employment rather than in job conditions once women have entered the labor market.**

Generational Gaps in Employment: Young People Remain at a Persistent Disadvantage

When analyzing the same types of disparities and comparing individuals under 25 with those aged 25 and older, persistent differences emerge over time. In the overall Better Jobs Index, the gap widened gradually from 8.9 points in 2010 to a peak of 12.6 points in 2020, reflecting the relative deterioration in young people's labor market outcomes during the pandemic. At the beginning of that year, the gap started to narrow, although it remained above the levels observed at the start of the period, standing at 9.9 points in 2024. This suggests that, despite some recovery, young people continue to face significant disadvantages in the labor market. This is illustrated in Figure 6.

Figure 6. Gap in Better Jobs Index Scores Between Adults and Youth, by Year



Source: Labor Observatory. Better Jobs Index.

When the Index is disaggregated by components, the largest gap is consistently observed in the quality dimension of employment. This difference increased from 13.3 points in 2010 to a peak of 16.2 points in 2020, before declining to 13.6 points in 2024. In contrast, the gap in the quantity dimension is smaller, although it also widened during the pandemic—from approximately 4.5 points in 2010 to 9.0 points in 2020—before narrowing to 6.3 points in 2024. Overall, **these findings indicate that young people face not only greater difficulties in accessing employment but, above all, in securing higher-quality jobs, which reinforces their vulnerability in the region's labor markets.**

Country-level data show that the generational gap in employment quality is large and widespread across the region in 2024, with adults consistently outperforming youth.

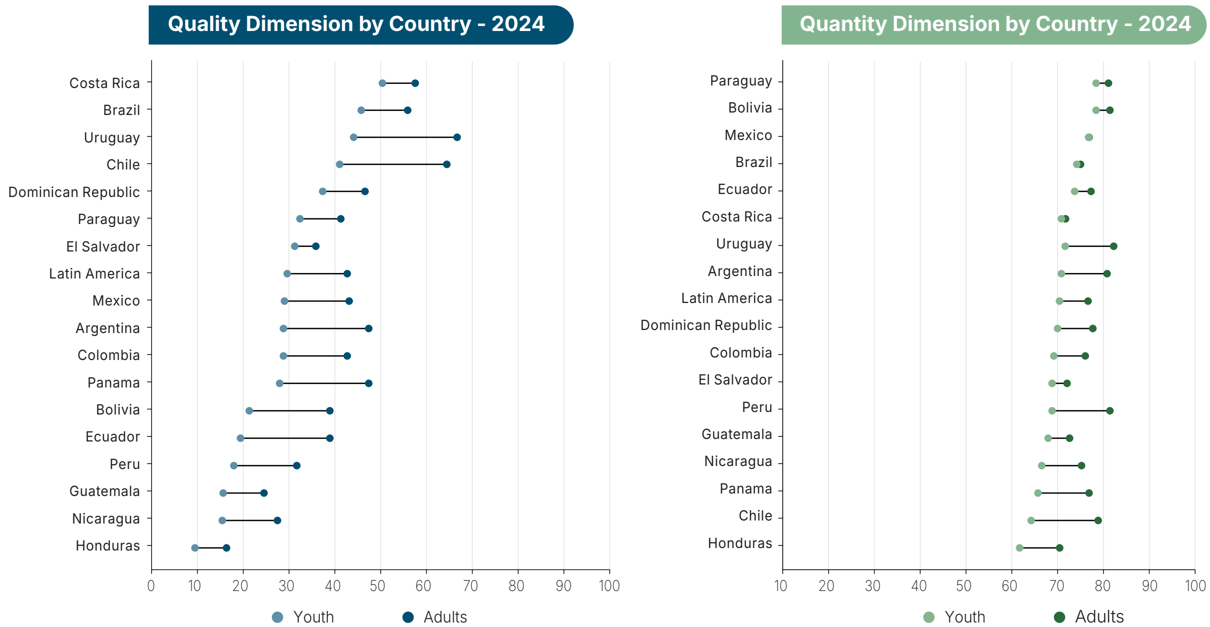
The highest levels of employment quality for both groups are found in countries such as Costa Rica, Brazil, Uruguay, and Chile. However, even in these cases, significant disadvantages for young people persist. At the other end of the spectrum, Honduras, Nicaragua, and Guatemala exhibit lower levels of employment quality and lower absolute scores for both age groups.

Taken together, the evidence suggests that the primary disadvantage faced by young people lies not only in obtaining employment, but also in accessing formal jobs, better-paying jobs, and jobs that provide greater social protection.

In the quantity dimension of employment, the gap between youth and adults is also present across countries, though it is smaller and more homogeneous than in the quality dimension. Adults exhibit higher levels of labor force participation and employment throughout the region, with particularly pronounced differences in Paraguay, Bolivia, and Mexico.

At the same time, even in countries where the gap is narrower, young people continue to experience weaker labor market integration. This confirms that age-related disadvantages in Latin America and the Caribbean are twofold: young people face greater difficulties entering the labor market and, once employed, tend to work in lower-quality jobs. Both dimensions are illustrated in Figure 7.

Figure 7. Generational Gaps in the Better Jobs Index: Quality and Quantity Dimensions



Source: Labor Observatory. Better Jobs Index.

The smallest gaps are found in Brazil and Mexico in the quantity dimension. These countries have large economies that provide greater employment opportunities for young people. In the case of Costa Rica, the gap is even slightly negative (–0.9 points), meaning that young people have marginally better employment opportunities than adults.

In the quality dimension, Costa Rica and the Dominican Republic exhibit the smallest gaps, with differences of 6.8 and 9.0 points, respectively, between adults and youth.

Employment Quality Improves, but Informality Remains the Main Challenge

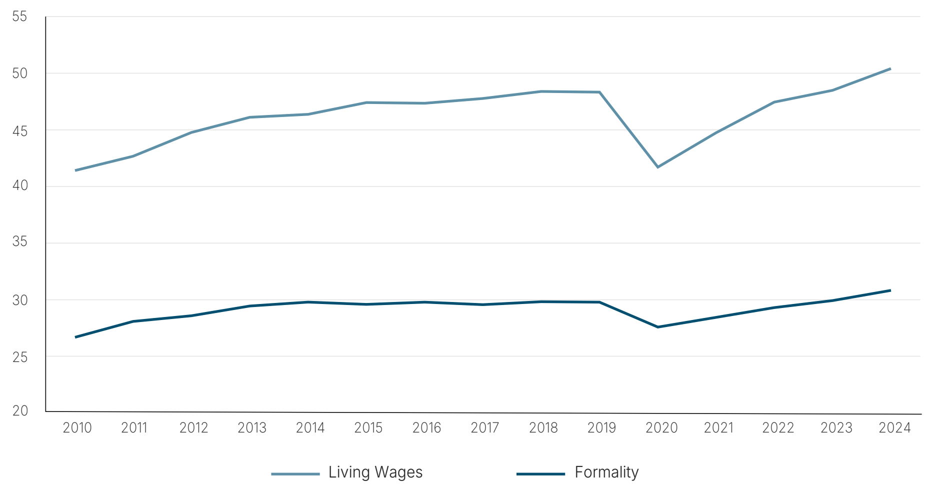
Employment quality in the Better Jobs Index reached its highest level since measurement began in 2024. Figure 8 shows the evolution of the two components that make up the quality dimension of employment: the proportion of workers earning living wages sufficient to rise above poverty and the formality rate. Both indicators exhibit an overall upward trend between 2010 and 2024, though the trend was interrupted in 2020 due to the pandemic.

In particular, the living wages component shows sustained improvement over time, increasing from just over 40 points in 2010 to more than 50 points in 2024, reaching its highest level in the series.

The labor formality component also shows improvement, although at a more moderate pace. It increased from approximately 27 points in 2010 to nearly 31 points in 2024, reflecting gradual but still limited progress.

Unlike the living wages component, formality has followed a flatter trajectory over the period, displaying less dynamism and a slower recovery following the decline observed in 2020. Taken together, these results suggest that improvements in employment quality have been driven primarily by rising earnings, while the formalization of employment remains one of the region's most important structural challenges.

Figure 8. Evolution of Employment Quality Components



Source: Labor Observatory. Better Jobs Index.

Uruguay, Costa Rica, and Chile stand out as the three countries with the highest scores in employment quality in 2024, maintaining the same ranking they held in 2022. However, most countries in the region have also improved their performance on this dimension since 2010. During this period, Brazil, Chile, Colombia, and Mexico recorded the largest increases in the quality dimension, improving by an average of 12 points since 2010.

Over the same period, Argentina and Panama saw their quality scores decline by 4 and 1 point, respectively, while Ecuador increased by only 0.9 points over 14 years. The remaining countries improved job quality by an average of approximately 6 points. This indicates that, between 2010 and 2024, most countries succeeded in improving the quality of employment despite the effects of the pandemic.

Our Proposal ❯

Despite the progress observed, Latin America and the Caribbean continue to face a structural challenge: most workers still lack quality jobs. A significant share of the employed population earns insufficient income to rise above poverty, does not contribute to social security systems, and is unable to accumulate retirement savings. Important gender and age disparities also persist, although they have narrowed; women continue to face barriers to employment, while young people encounter greater difficulties accessing quality jobs.

Although improvements in the quality dimension of the Better Jobs Index have been driven by higher labor earnings and advances in formalization in some countries, these gains remain insufficient and uneven. Raising productivity and improving employment quality requires not only deepening these advances but also scaling them in a sustained and coordinated manner. In this context, public policy priorities should focus on five key areas:

→ **Reduce informality through appropriate incentives.** Promote employment formalization through policies that reduce the costs associated with formality, expand social protection coverage, and partially decouple access to benefits from employment status. Progress toward more universal systems can facilitate the transition to formal employment without undermining productivity.

→ **Expand social protection and pension coverage.** Move toward more inclusive and sustainable systems that combine contributory and non-contributory schemes, encourage savings (including voluntary savings), and develop innovative mechanisms to integrate self-employed workers, informal workers, and workers engaged in emerging forms of employment.

→ **Scale up regional best practices.** Identify, evaluate, and adapt successful experiences from across the region that have improved the quality of employment. Facilitating cross-country learning and strengthening regional cooperation can help accelerate progress.

→ **Promote skills development through the productive sector.** Strengthen human capital formation through closer coordination between the private sector and training systems. Firms should play a more active role in defining curricula, standards, and certifications, ensuring that training responds to actual productivity needs. This requires modernizing education and training systems to make them more flexible, modular, and results-oriented, while incorporating digital, technological, and green skills that align with the region's productive transformation.

→ Harness artificial intelligence (AI) to boost productivity and employment quality.
Promote the private sector's adoption of artificial intelligence as a tool to increase productivity, transform production processes, and create higher-quality jobs. This requires expanding access to digital technologies, particularly for small and medium-sized enterprises—as well as fostering innovation ecosystems that connect firms, training institutions, and governments. At the same time, it is essential to integrate artificial intelligence into education and training systems, not only to develop technical skills but also to improve job-matching processes, identify skills gaps in real time, and better inform public policy decisions. Leveraging AI can help raise productivity while accelerating the transition toward more formal, better-paying, and higher-skill jobs.

ARGENTINA

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Argentina Improves in Both the Quantity and Quality Dimensions of the Better Jobs Index

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

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1. After several years of declines in both employment quantity and quality, Argentina improved in both dimensions.

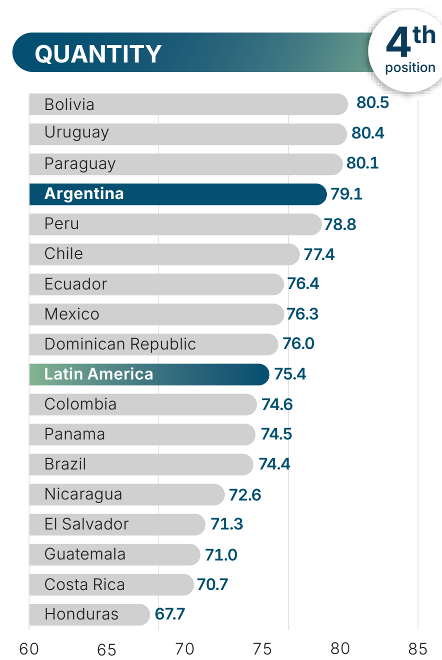
2. The country has fully recovered in terms of employment quantity, although employment quality remains below its historical peak levels. Fewer than half of the population holds a quality job.

3. Both the gender gap and the youth–adult gap in the Better Jobs Index narrowed, driven by increased female labor force participation in the first case and slight wage improvements in the second.

Argentina's Better Jobs Index increased from 60.5 to 62.0 points between 2022 and 2024, placing the country above its pre-pandemic level. This growth was similar to the regional average, as Latin America increased from 56.4 to 58.0 points. Like the region overall, Argentina improved in both employment quantity and employment quality, with the latter showing particularly notable gains.

Position in the Better Jobs Index: 5th of 17

Labor force participation	81.9	Formality rate	36.2
Employment rate	76.3	Living wage	53.8



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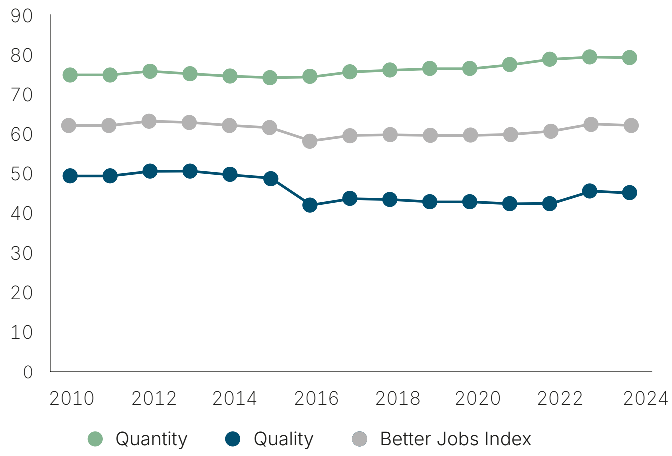
ARGENTINA

Evolution of the Better Jobs Index

Recent improvements in Argentina's Better Jobs Index have allowed the country to reach a level in 2024 similar to that observed in 2010 (62 points in both years), although it remains below its historical peak of 62.9 points recorded in 2012.

The overall improvement in the Index is explained by gains in the quantity dimension, while the quality dimension remains below its 2010 level. The quantity dimension has shown steady growth since 2010 and has reached a historical high of nearly 80 points.

In contrast, the quality dimension has not fully recovered from the decline observed between 2013 and 2016, when it reached 50.5 points. In the current edition, it stands at approximately 45 points.



In Context

WORKING-AGE POPULATION

19.0 million 2022 › **19.4 million** 2024

The adjusted working-age population[1] reached 16.9 million, representing a 2.4% increase compared with the previous edition.

LABOR FORCE

13.4 million 2022 › **13.8 million** 2024

The labor force (employed and unemployed population) increased by 3.0%, equivalent to slightly more than 397,000 people.

EMPLOYED POPULATION

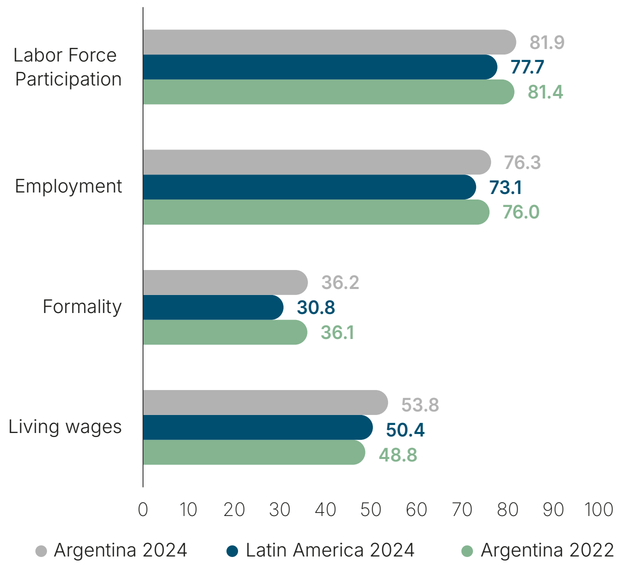
12.5 million 2022 › **12.9 million** 2024

Employment increased by 363,543 people, equivalent to a 2.9% increase.

At a Glance: Argentina and Latin America

Argentina remained in fifth place in the 2024 Better Jobs Index, with a score nearly four points above the regional average. In the quantity dimension, Argentina exceeded the regional average (79.1 vs. 75.4). This advantage is reflected in both of its components, with a labor force participation rate of 81.9 compared with 77.7 for Latin America, and an employment rate of 76.3 compared with 73.1 points.

A similar pattern is evident in the quality dimension, where Argentina also performs above the regional average in both the aggregate Index and its individual components. The overall quality score reached 45.0, compared with 40.6 for the region. In the formality component, Argentina scored 36.2, exceeding the regional average of 30.8. Likewise, in the component measuring jobs with living wages, Argentina recorded 53.8 points, compared with 50.4 for Latin America.

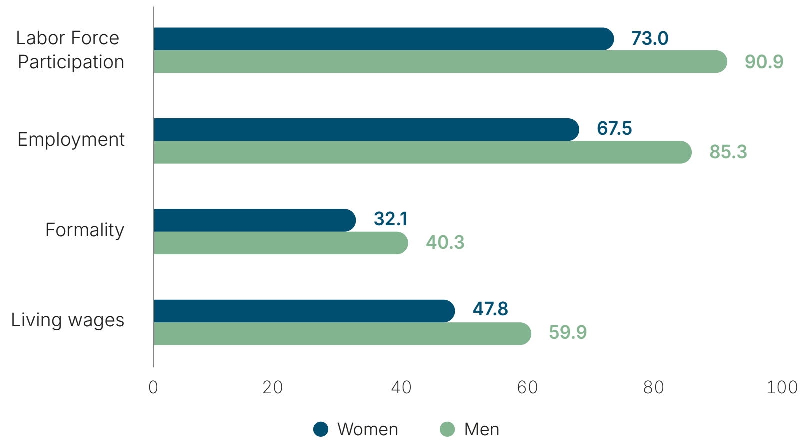


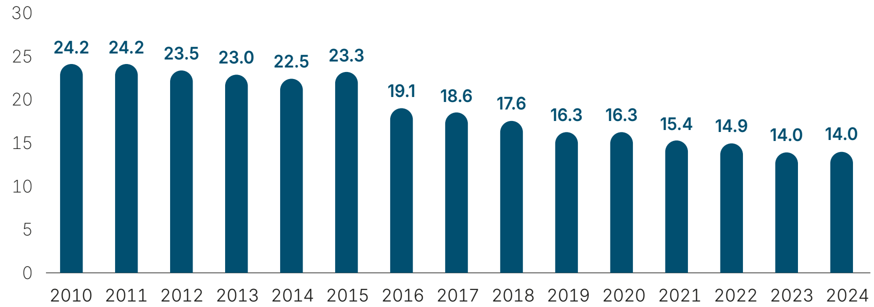
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Argentina remains the second country with the smallest gender gap in the Better Jobs Index. In 2024, the difference between men and women stood at 14.0 points, slightly lower than the gap observed in the previous edition.

The composition of this gap reveals that the smallest differences are found in the quality dimension. The gap in formality amounts to 8.2 points, while the difference in jobs with living wages reaches 12.1 points. By contrast, the largest disparities are observed in the quantity dimension, where both labor force participation and employment rates show gaps of nearly 18 points between men and women.

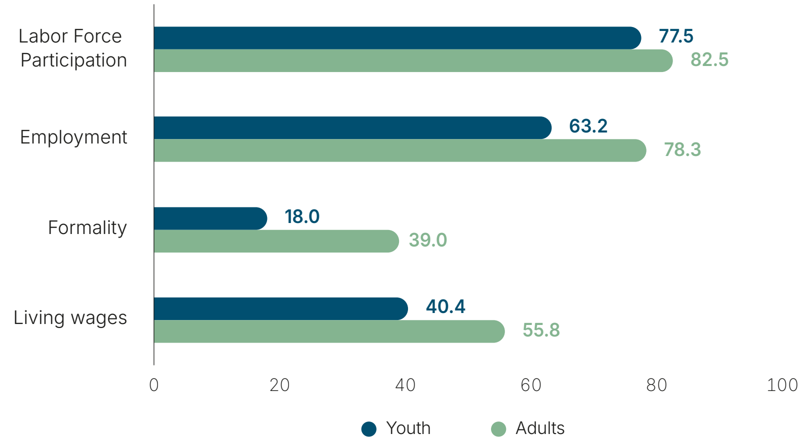


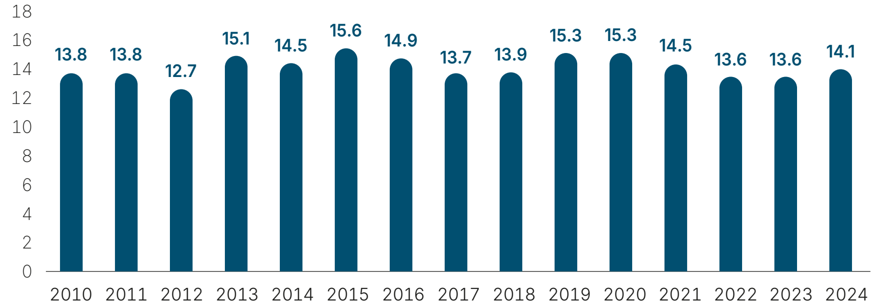


Age Differences

The difference in the Better Jobs Index between youth and adults is among the largest in the region and increased compared with the previous edition, rising from 13.6 to 14.1 points. Only Chile, Uruguay, and Panama report larger generational gaps, all exceeding the regional average difference of 9.9 points.

Looking at the individual components, the largest disparities are found in the quality dimension. The gap in formality reaches 21 points, while the difference in jobs with living wages is 15.4 points. In the quantity dimension, the differences are smaller, with a gap of 5 points in labor force participation and 15 points in employment.





* It should be noted that statistical series published after January 2007 and up to December 2015 should be treated with caution, except for those that were revised in 2016 and explicitly state this in their dissemination. INDEC, within the framework of the powers conferred by Decrees 181/15 and 55/16, carried out the necessary investigations to establish the regularity of data collection procedures, their processing, the production of indicators, and their dissemination.

** The estimates for 2015 were revised, resulting in changes to both the values of the Better Jobs Index and Argentina's relative positions.

BOLIVIA

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Bolivia Climbs in the Better Jobs Index and Surpasses Its Pre-Pandemic Level

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

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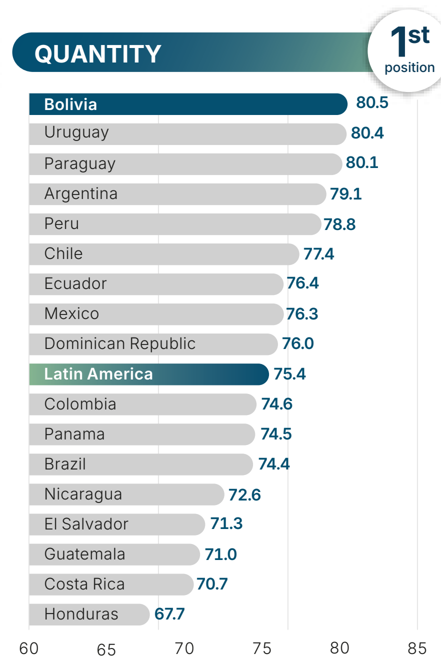
1. Bolivia, the region's strongest performer in the quantity dimension, moved up in the Better Jobs Index rankings.
2. Although its components improved, its score in the quality dimension remains below the regional average.
3. Despite this progress, low levels of formality remain the country's main challenge.

Bolivia, with 58.4 points, ranks 10th in the Better Jobs Index and slightly exceeds the Latin American average of 58.0 points. A breakdown of the Index reveals the same contrast observed in previous editions between employment quantity, which scores 80.5 points—the highest in the region—and employment quality, which scores 36.4 points, remaining below the regional average of 40.6.

Position in the Better Jobs Index: 10th of 17

Labor force participation	83.5	Formality rate	19.7
Employment rate	77.4	Living wage	53



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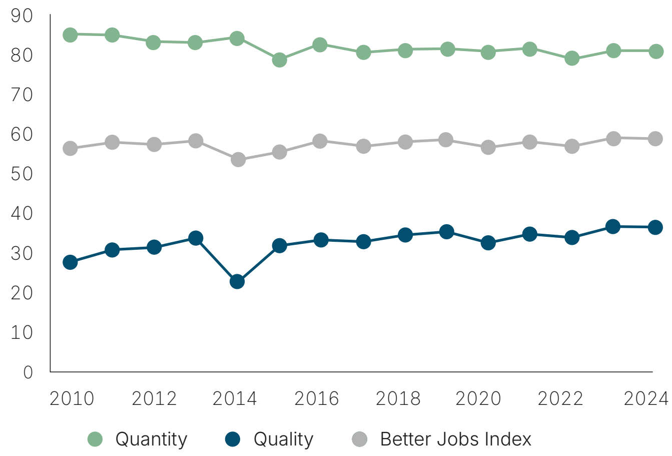
BOLIVIA

Evolution of the Better Jobs Index

Bolivia's score in the Better Jobs Index improved from 56.3 to 58.4 points compared with the previous edition. This two-point increase was driven primarily by the quantity dimension, which rose from 78.7 to 80.5, while the quality dimension also improved, increasing from 33.8 to 36.4 points. With these gains, Bolivia has surpassed its pre-pandemic level.



In Context

WORKING-AGE POPULATION

7.5 million 2022 → **7.9 million** 2024

The adjusted working-age population[1] reached 6.7 million, representing a 3.0% increase compared with the previous edition.

LABOR FORCE

5.4 million 2022 → **5.6 million** 2024

The labor force (employed and unemployed population) grew by 3.5%, a smaller increase than the one observed between 2018 and 2022 (8.7%).

EMPLOYED POPULATION

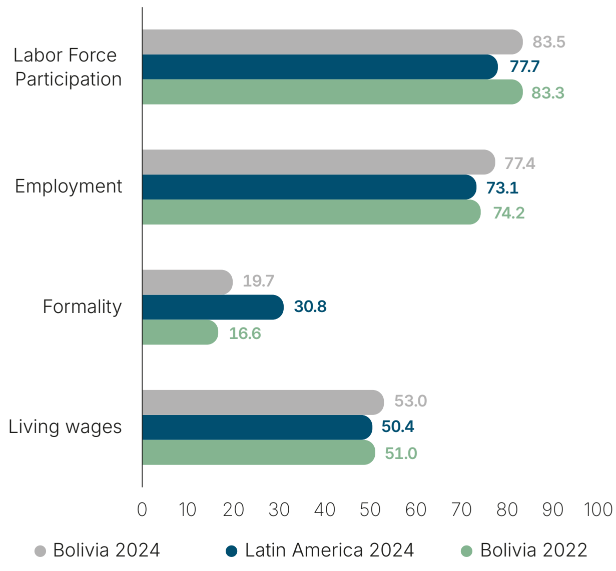
5.1 million 2022 → **5.2 million** 2024

The employed population increased slightly by 1.3%, reaching 5.2 million people.

At a Glance: Bolivia and Latin America

Bolivia's performance in the Better Jobs Index exceeds the regional average in both components of the quantity dimension. The labor force participation rate reached 83.5, compared with the Latin American average of 77.7, while the employment rate stood at 77.4, above the regional average of 73.1.

In the quality dimension, Bolivia recorded 53.0 points in the component measuring living wages, outperforming the Latin American average of 50.4. However, the country continues to lag behind the regional average in formality. Although Bolivia improved its score in formal employment compared with the previous edition, its formality rate of 19.7 remains well below the regional average of 30.8 points.



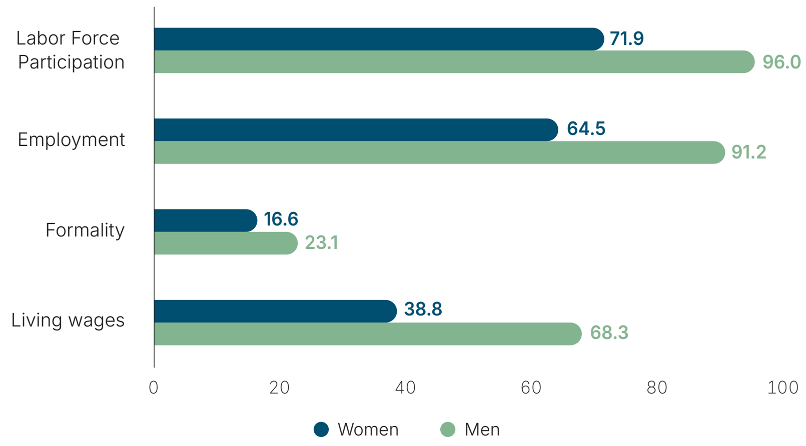
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

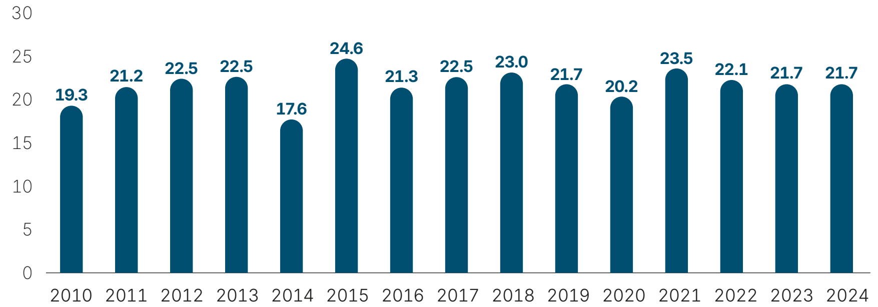
BOLIVIA

Gender Differences

Bolivia's gender gap in the Better Jobs Index declined from 22.1 points in the previous edition to 21.7 points in 2024. Nevertheless, it remains above the Latin American average gap of 21 points.

Gender disparities remain substantial. In the quantity dimension, both labor force participation and employment show differences of approximately 25 points. In the quality dimension, the gap in the living wages component is close to 30 points, while the gap in formality is only about 7 points, albeit at a generally low level of formality overall.



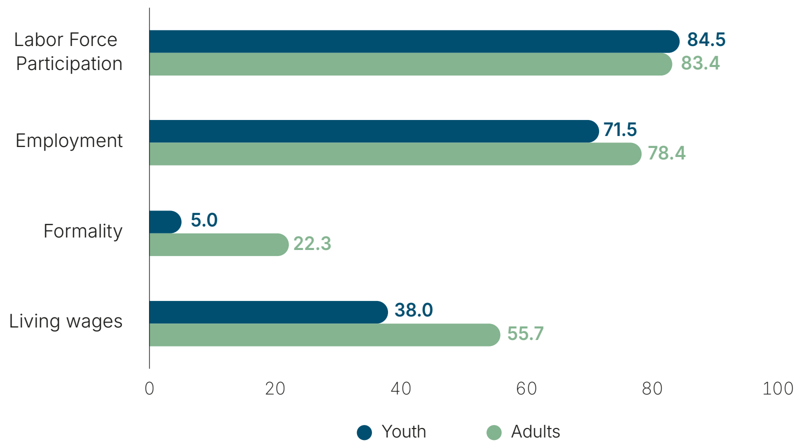


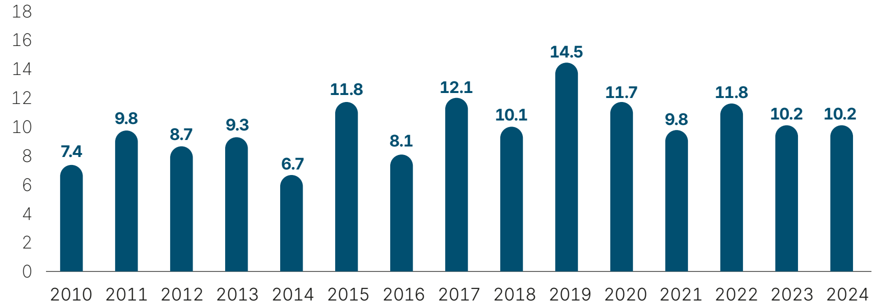
Age Differences

The gap between adults and youth in Bolivia's Better Jobs Index increased to 10.2 points, slightly above the regional average of 9.9 points.

Age differences in the quantity dimension are relatively small. Youth labor force participation is slightly higher than that of adults (84.5 versus 83.4), although the employment rate differs by approximately 7 points (78.4 versus 71.5).

In contrast, differences in the quality dimension are much larger, averaging around 18 points. In the living wages component, adults score 55.7 points compared with 38.0 points for youth. Similarly, in the formality component, adults average 22.3 points, while youth score only 5.0 points.





BRAZIL

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Brazil Rises to Third Place in the Better Jobs Index and Reaches a Historic High

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

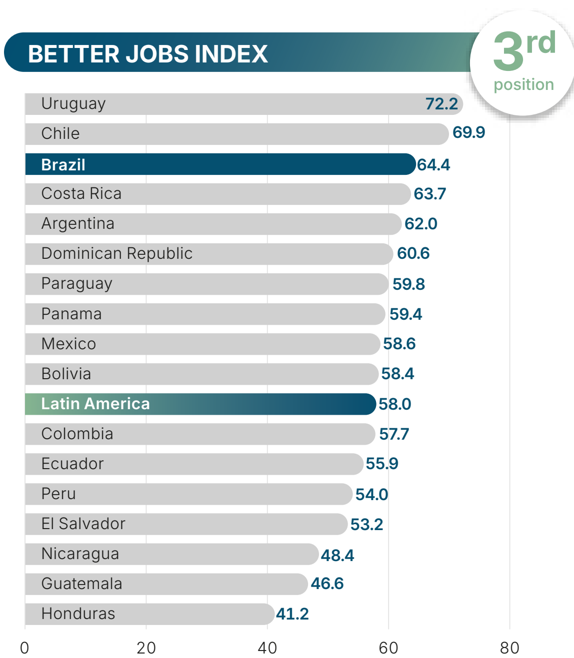
The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. Both the quantity and quality dimensions have followed a positive trend since the pandemic.
2. Brazil recorded the third-largest improvement in the Better Jobs Index in the region.
3. Despite this progress, Brazil remains among the six countries with the lowest scores in the employment quantity dimension.

Brazil gained 3.4 points in the Better Jobs Index, one of the largest improvements in the region. This progress was driven by a 4.6-point increase in the quality dimension and a 2.3-point increase in the quantity dimension. The improvement in both dimensions exceeded the changes observed across Latin America, where the overall Index increased by 1.6 points, the quality dimension by 2.2 points, and the quantity dimension declined by 0.1 points.

Position in the Better Jobs Index: 3rd of 17

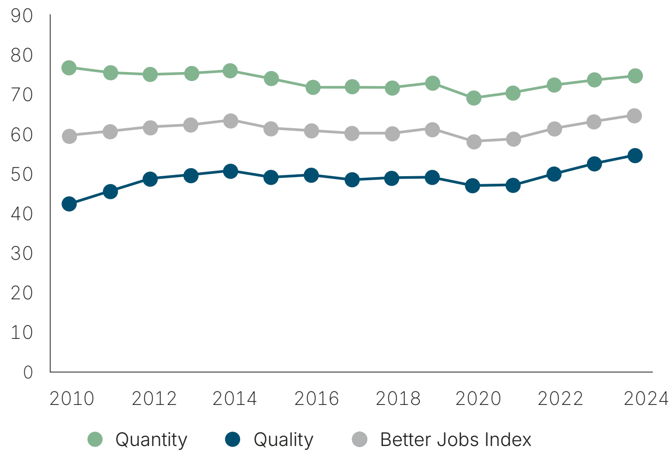
Labor force participation	77.1	Formality rate	47.3
Employment rate	71.6	Living wage	61.6



BRAZIL

Evolution of the Better Jobs Index

In the current edition, Brazil reached its highest score ever, 65.4 points, while its lowest level was recorded in 2020, at 57.7 points. The quantity dimension reached its historical peak in 2010 (76.3 points), whereas the quality dimension began to deteriorate after 2014 and continued a downward trend in subsequent years. Both dimensions were particularly affected by the pandemic in 2020, after which they have shown sustained recovery.



In Context

WORKING-AGE POPULATION

148.0 million 2022 › **146.2 million** 2024

The adjusted working-age population[1] reached 136.2 million, representing a 0.8% decline compared with the previous edition.

LABOR FORCE

104.0 million 2022 › **105.0 million** 2024

The labor force (employed and unemployed population) increased by 1.0%, rising from 104 million to 105 million.

EMPLOYED POPULATION

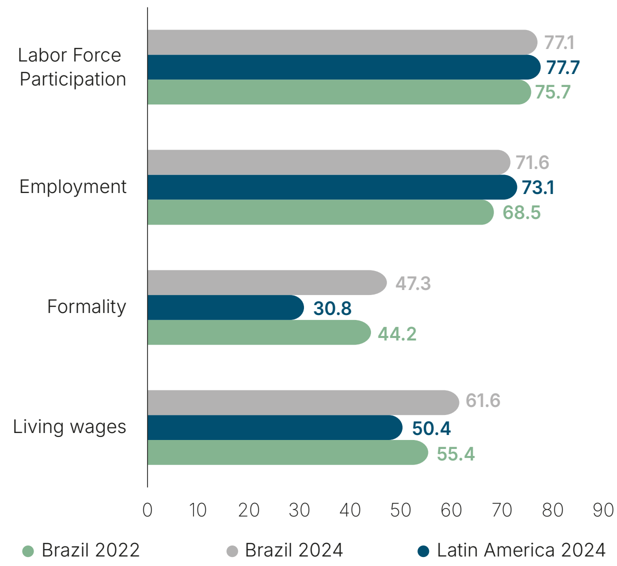
94.0 million 2022 › **97.6 million** 2024

The employed population increased by 3.6 million people, equivalent to a 3.8% increase.

At a Glance: Brazil and Latin America

Brazil stands out in the Better Jobs Index by outperforming the regional average in both components of the quality dimension. The country records a formality rate of 47.3, compared with the Latin American average of 30.8, and a score of 61.6 in the share of workers earning living wages, compared with the regional average of 50.4.

However, in terms of quantity, Brazil remains slightly below the regional average in both labor force participation and employment. The labor force participation rate stands at 77.1, compared with 77.7 for Latin America, while the employment rate reaches 71.6, below the regional average of 73.1.



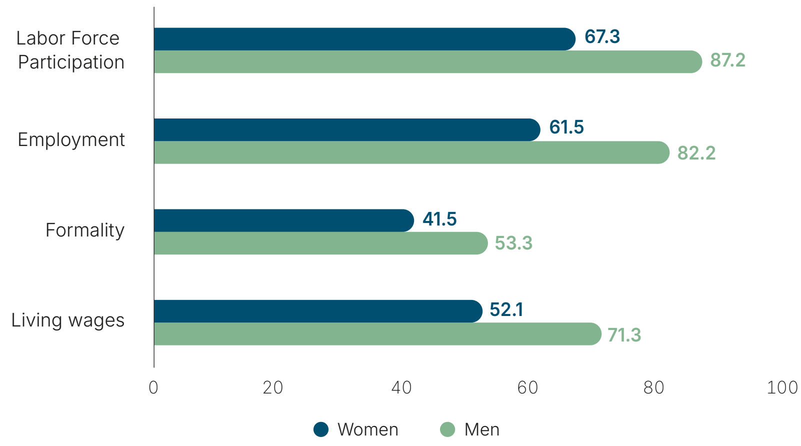
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

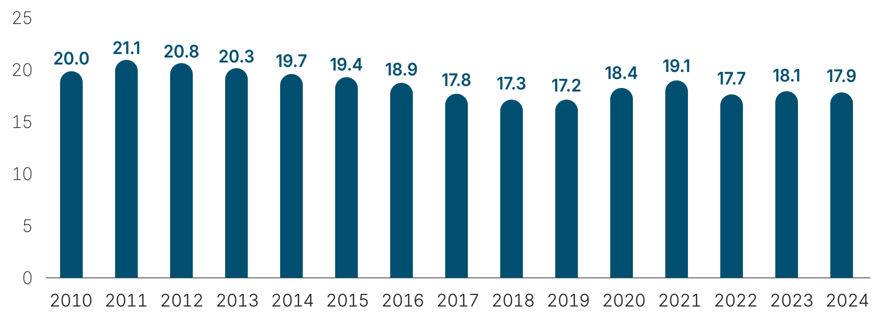
BRAZIL

Gender Differences

Brazil is the fourth country with the smallest gender gap in the Better Jobs Index, performing even better than the regional average (17.9 points versus 21.0 points). Although the gap widened slightly compared with the previous edition, gender differences remain larger in the quantity dimension than in the quality dimension.

In the quantity dimension, the male score exceeds the female score by 20.3 points (84.7 versus 64.4). In the quality dimension, the difference is 15.5 points (62.3 versus 46.8).

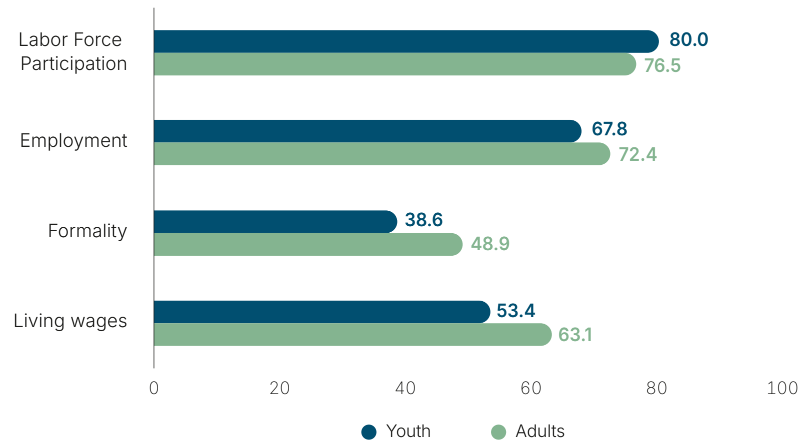


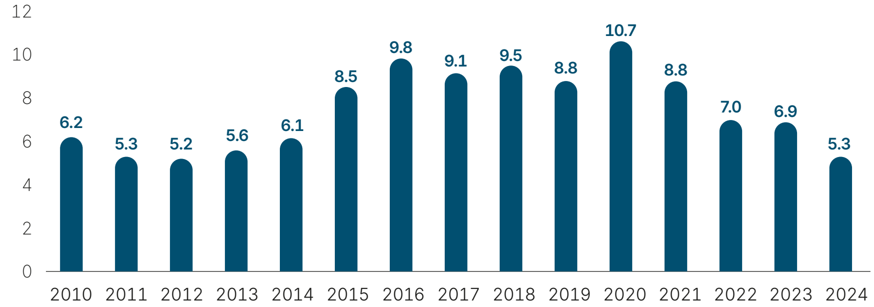


Age Differences

The gap between adults and youth in Brazil is also smaller than the regional average, standing at 5.3 points, compared with 9.9 points across Latin America. Unlike most countries in the region, this gap has narrowed steadily over time and has reached its lowest level since the Better Jobs Index began to be measured.

The largest difference is found in employment quality, where adults score approximately 10 points higher than youth (56 versus 46). By contrast, the gap in the quantity dimension is minimal, at only 0.5 points (74.4 versus 73.9). In fact, labor force participation is slightly higher among youth than among adults.





*The 2009 value is used as the reference for 2010 due to data availability.

CHILE

Chile Sets a New Record in the Better Jobs Index

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. Chile improved across all components of the Index, achieving scores above the regional average in each of them.

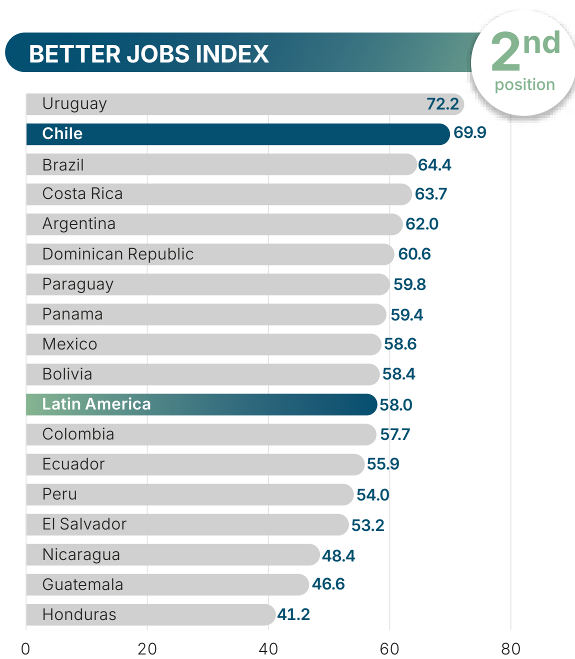
2. Despite its strong overall performance, a wide gap between youth and adults persists, particularly in employment quality.

3. Although it remains above the regional average, the gap between men and women widened slightly.

Chile remains in second place in the Better Jobs Index with 69.9 points, four points above its 2018 level. Both employment quantity and quality improved: the quantity dimension increased from 76.5 in the previous edition to 77.4, while the quality dimension rose from 51.8 to 62.5. Chile continues to perform above the regional average in both dimensions.

Position in the Better Jobs Index: 2nd of 17

Labor force participation	81.0	Formality rate	56.4
Employment rate	73.7	Living wage	68.6

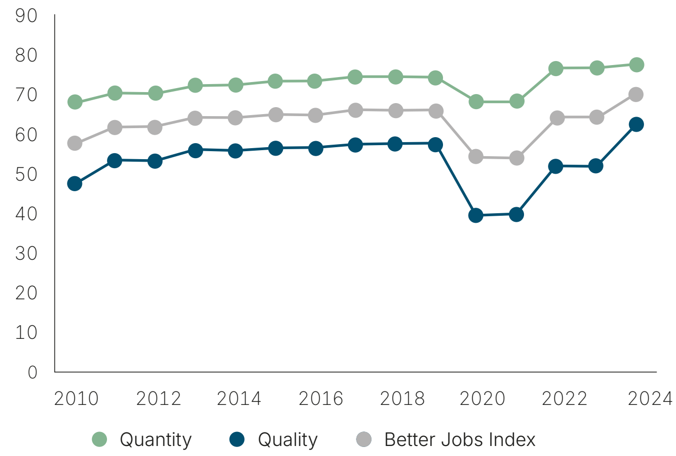


CHILE

Evolution of the Better Jobs Index

Chile reached a historic high in the Better Jobs Index, fully recovering from the effects of the pandemic and surpassing its 2020 level.

The quality dimension recorded a substantial increase, rising from 51.8 points to 62.5 points in the current edition. The quantity dimension also improved, increasing from 76.5 to 77.4 points. With these results, Chile achieved the highest score since the series began, surpassing the 65.9 points recorded in 2018.



In Context

WORKING-AGE POPULATION

13.5 million 2022 → **13.6 million** 2024

The adjusted working-age population[1] reached 12.1 million, representing a 1.4% increase compared with the previous edition (11.9 million).

LABOR FORCE

9.5 million 2022 → **9.8 million** 2024

The labor force (employed and unemployed population) increased by 2.6%.

EMPLOYED POPULATION

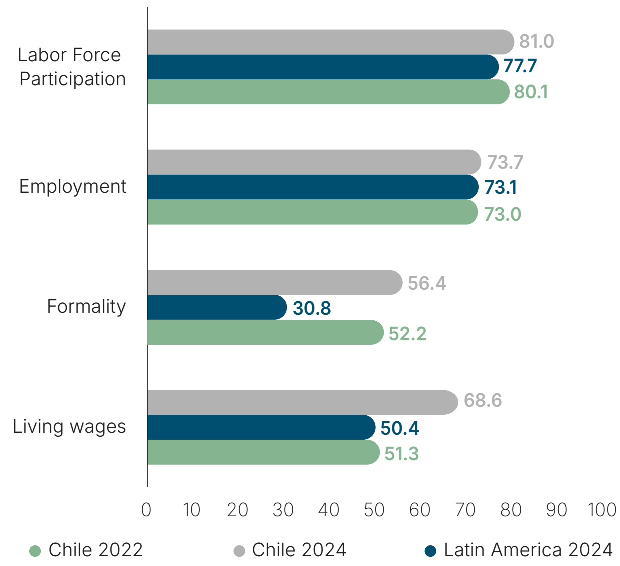
8.7 million 2022 → **8.9 million** 2024

The employed population increased by 0.2 million people, equivalent to a 2.4% increase.

At a Glance: Chile and Latin America

Both the quantity and quality dimensions of Chile's Better Jobs Index exceed the regional average. The country performs above Latin America in labor force participation (81.0 versus 77.7) and employment (73.7 versus 73.1).

Chile also outperforms the region in both quality components. The formality rate is 56.4, compared with the regional average of 30.8, while the share of workers earning a living wage is 68.6, substantially higher than the Latin American average of 50.4.

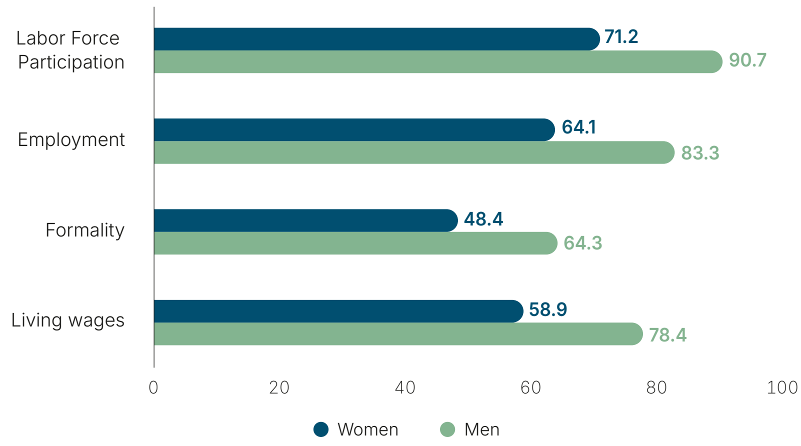


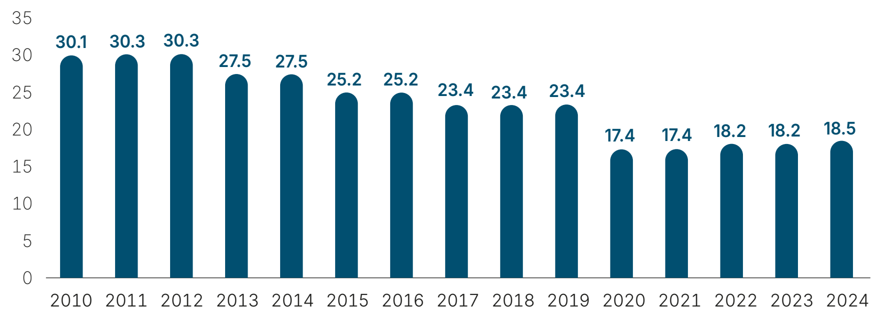
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

The gender gap in Chile's Better Jobs Index widened slightly by 0.3 points, increasing from 18.2 to 18.5 points. Nevertheless, it remains nearly five points lower than in 2018, before the pandemic. The current gap of 18.5 points is also below the regional average of 21.0 points.

In terms of employment quantity, men outperform women by 19.4 points (87.0 versus 67.7). In employment quality, the difference amounts to 17.7 points (71.3 versus 53.7).

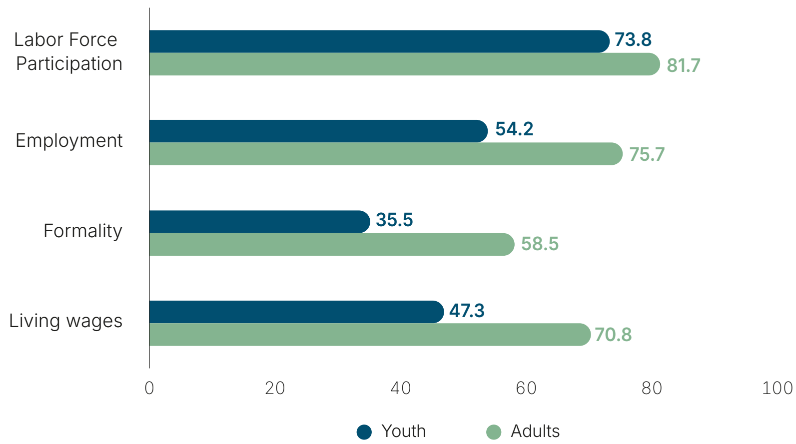


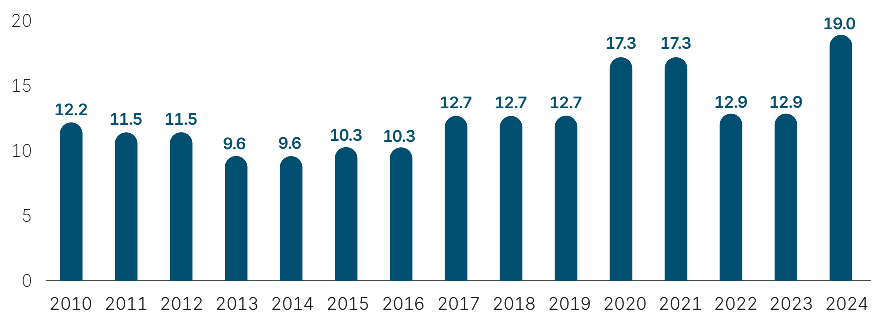


Age Differences

The gap in the Better Jobs Index between adults and youth in Chile increased from 12.9 to 19.0 points. The post-pandemic difference (17.3 points) is almost double the Latin American average of 9.9 points.

The largest disparity is found in employment quality, where the difference reaches 23.3 points (64.7 versus 41.4). In the quantity dimension, the gap is smaller, at 14.7 points (78.7 versus 64.0).





*The 2009 value is used as the reference for 2010 due to data availability.

COLOMBIA

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Colombia Improves in the Better Jobs Index, but Its Score in the Quantity Dimension Remains Below Its Pre-Pandemic Level

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. The country recorded a modest improvement in the Better Jobs Index after remaining stagnant during the previous two editions.

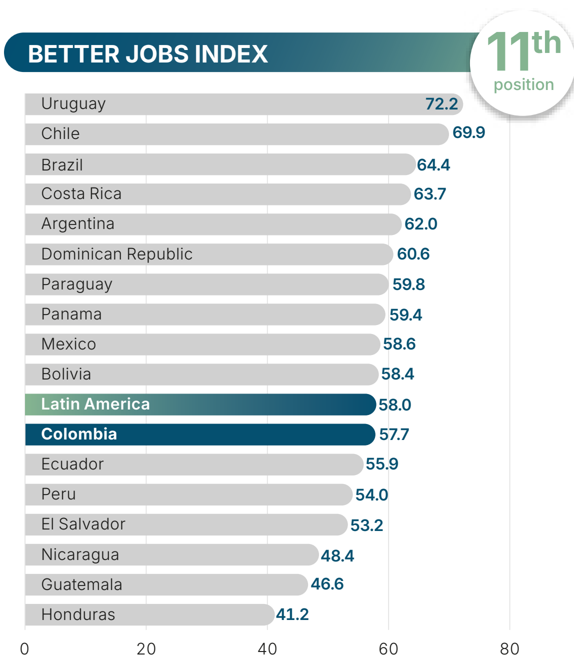
2. The quality dimension posted the strongest growth, while the quantity dimension showed only a slight recovery.

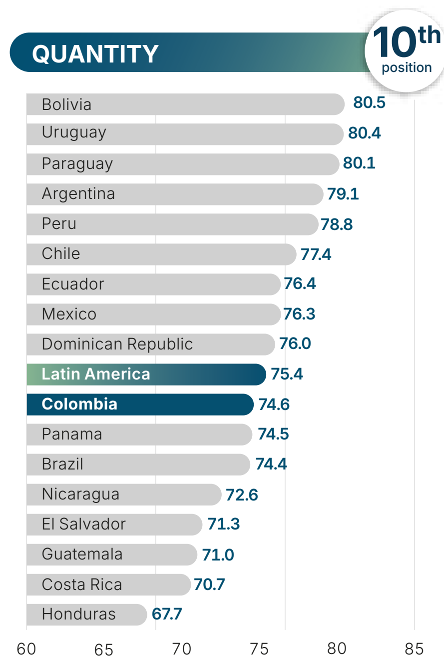
3. The gender gap widened for the second consecutive period and reached levels similar to those observed before the pandemic.

Colombia remains below the Latin American average in both the Better Jobs Index and the quantity dimension. However, the quality dimension shows notable growth, reaching 40.9 points and slightly surpassing the regional average.

Position in the Better Jobs Index: 11th of 17

Labor force participation	78.5	Formality rate	32.6
Employment rate	70.7	Living wage	49.1



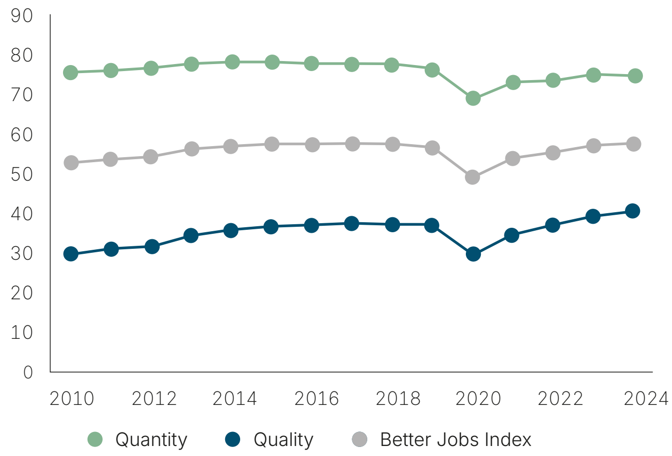


IDB

COLOMBIA

Evolution of the Better Jobs Index

Colombia surpassed its pre-pandemic Better Jobs Index level, reaching the highest value recorded for the country to date. However, job quality continues to lag, despite showing slight improvements compared with the previous edition. This positive trend in the quality dimension contributed to the overall increase in the Index. Nevertheless, the quality dimension remains below 50 points, indicating that fewer than half of the workers holds quality jobs.



In Context

WORKING-AGE POPULATION

33.9 million 2022 → **34.6 million** 2024

The adjusted working-age population[1] reached 31.0 million, representing a 1.8% increase compared with the previous edition (30.4 million).

LABOR FORCE

23.7 million 2022 → **24.3 million** 2024

The labor force (employed and unemployed population) increased by 2.6%.

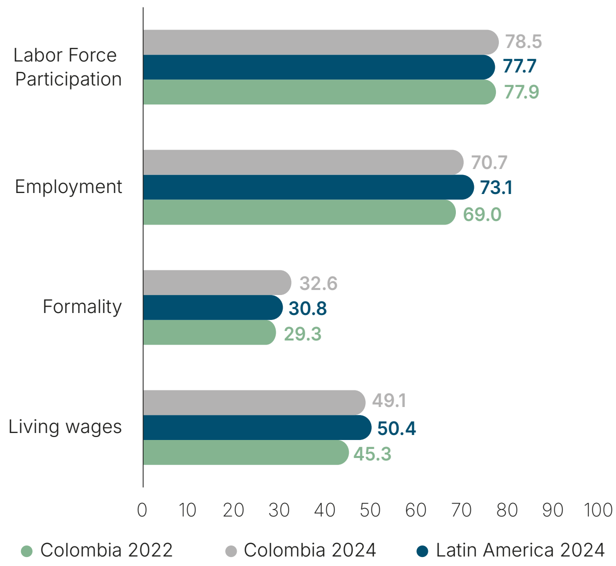
EMPLOYED POPULATION

21.0 million 2022 → **21.9 million** 2024

The employed population also increased by 4.4%.

At a Glance: Colombia and Latin America

Colombia's Better Jobs Index shows improved performance in three of its four components compared with the previous edition. In the quality dimension, the country exceeds the Latin American average in formality, although it remains slightly below the regional average in jobs with living wages (49.1 versus 50.4). In the quantity dimension, Colombia's labor force participation rate exceeds the regional average (78.5 versus 77.7). However, its employment rate remains below the Latin American average (70.7 versus 73.1).



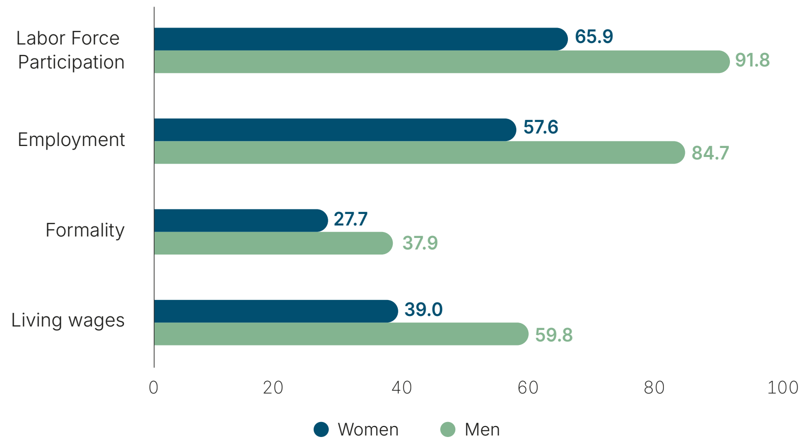
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

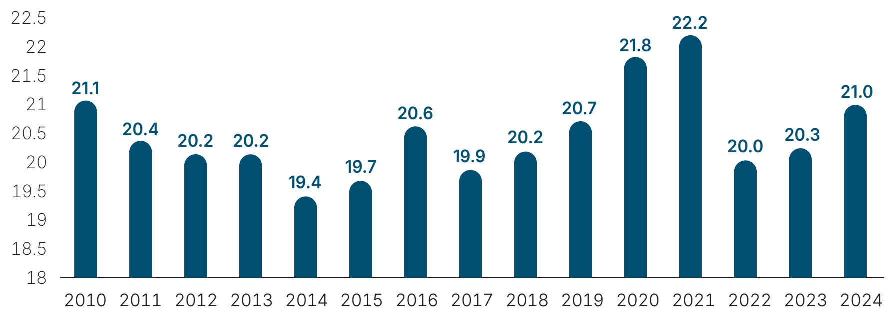
COLOMBIA

Gender Differences

The gender gap in Colombia increased by 1 point, reaching 21.0 points, a level similar to the regional average. After narrowing considerably following the pandemic, the gap has widened again and returned to levels comparable to those observed in 2018 and earlier years.

The largest differences are found in the quantity dimension, where labor force participation and employment average a gap of 26.5 points. In the quality dimension, the average gap is 15.5 points, with significant disparities across both components. The gap in jobs with living wages reaches 20.7 points, while the gap in formal employment is roughly half that size, at 10.3 points.

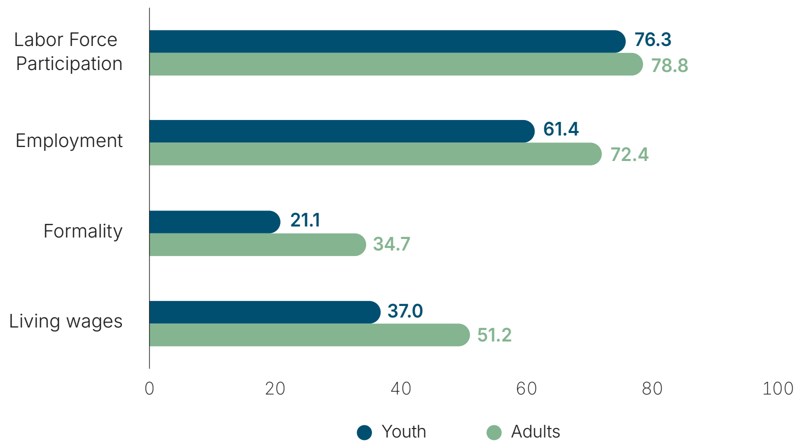


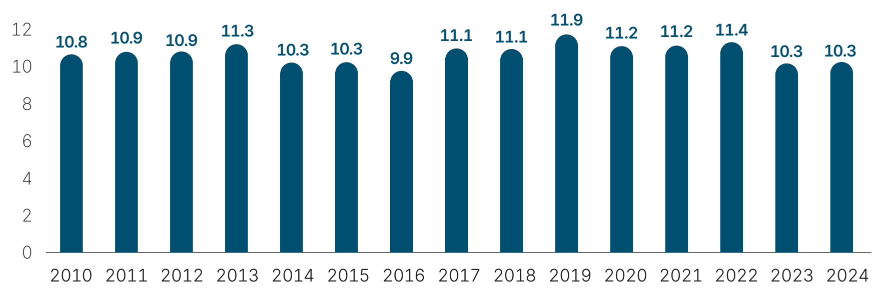


Age Differences

The difference between adults and youth in Colombia declined in the most recent measurement, falling to 10.3 points from 11.4 points in the previous edition. Although it remains above the regional average of 9.9 points, the country has returned to pre-pandemic levels.

The smallest gap is observed in the quantity dimension, where there is an average difference of 6.8 points. Labor force participation differs by only 2.6 points, while the employment gap is 11 points. In the quality dimension, the gap reaches 13.9 points, with differences between youth and adults of 14.2 points in jobs with living wages and 13.6 points in formality, respectively.





*The 2009 value is used as the reference for 2010 due to data availability.

IDB

COSTA RICA

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Costa Rica Achieves Its Highest Score on Record in the Better Jobs Index but Drops One Position Compared With the Previous Edition

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1 Despite reaching a record high, Costa Rica fell to fourth place in the Index.

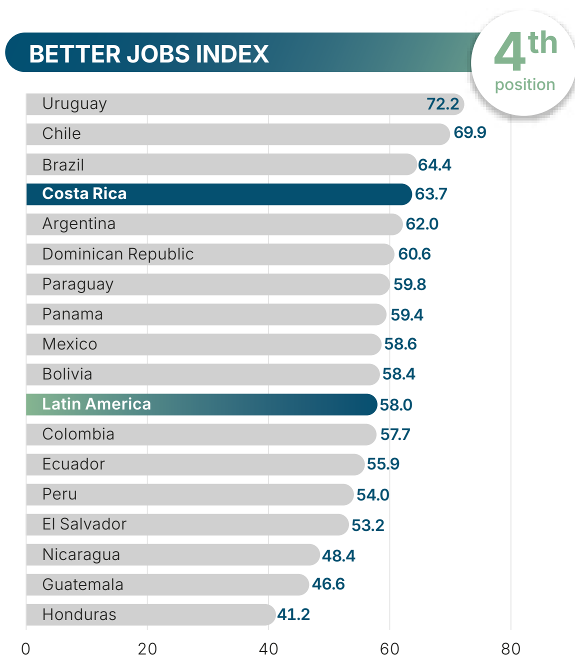
2 The country improved in both dimensions, with stronger gains in employment quality.

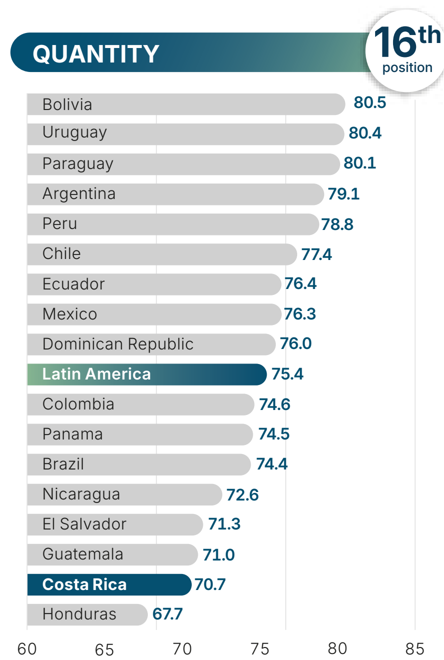
3 Costa Rica remains the country with the smallest gap between youth and adults, although it continues to have the second-largest gender gap in the region.

Costa Rica ranks fourth in the Better Jobs Index, with 63.7 points, above the Latin American average of 58.0 points. Compared with the previous edition, the country gained 2.1 points, recovering from the effects of the pandemic crisis. This improvement was driven mainly by higher employment quality, which increased by 2.8 points, while the quantity dimension rose by 1.3 points.

Position in the Better Jobs Index: 4th of 17

Labor force participation	73.3	Formality rate	52.5
Employment rate	68.0	Living wage	60.8





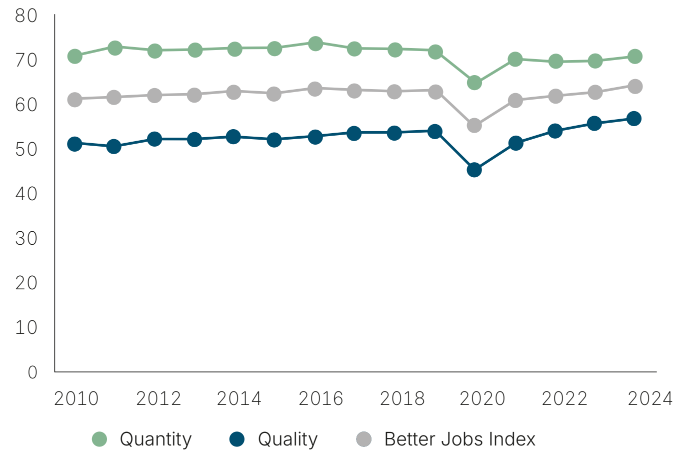
IDB

COSTA RICA

Evolution of the Better Jobs Index

Costa Rica has maintained a relatively stable trajectory in the Better Jobs Index, rising from 60.8 points in 2010 to 62.6 points in 2018. Following the decline caused by the pandemic in 2020, the country recovered and reached its highest score on record in the current edition, at 63.7 points.

The quality dimension reached a historic high of 56.7 points, while the quantity dimension, at 70.7 points, has not yet recovered its 2018 peak of 71.9 points.



In Context

WORKING-AGE POPULATION

3.5 million 2022 › **3.6 million** 2024

The adjusted working-age population[1] reached 3.1 million, representing a 2.8% increase compared with the previous edition (3.06 million).

LABOR FORCE

2.2 million 2022 › **2.3 million** 2024

The labor force (employed and unemployed population) increased by 4.1%.

EMPLOYED POPULATION

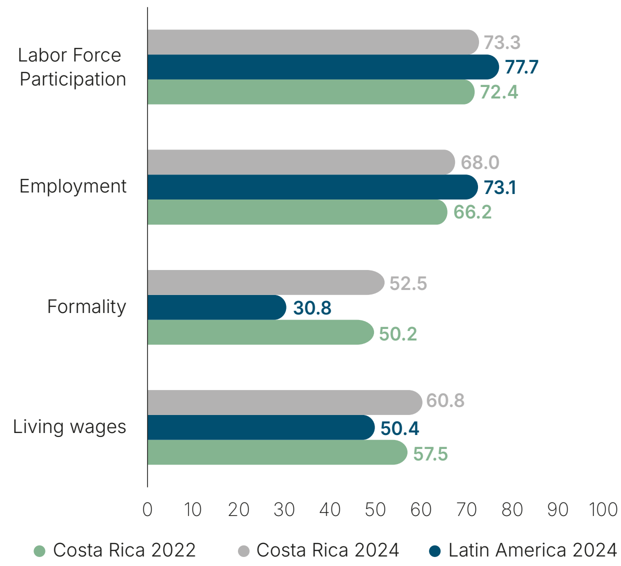
2.0 million 2022 › **2.1 million** 2024

The employed population surpassed 2.1 million, reflecting a 5.5% increase.

At a Glance: Costa Rica and Latin America

Costa Rica remains above the regional average in both components of the quality dimension, though not in the quantity dimension. In terms of formality, the country scored 52.5 points, compared with 30.8 points for Latin America. Likewise, Costa Rica achieved 60.8 points in jobs with living wages, exceeding the regional average of 50.4 points.

In contrast, both labor force participation and employment remain below regional levels. Costa Rica recorded a labor force participation rate of 73.3, compared with 77.7 for Latin America, while its employment rate stood at 68.0, below the regional average of 73.1.

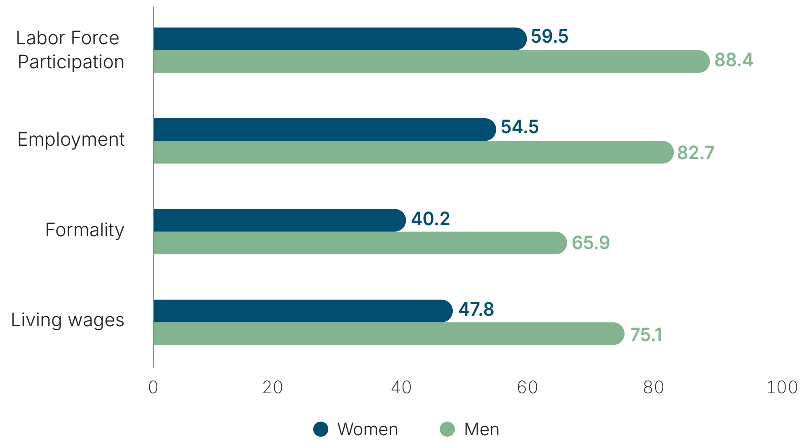


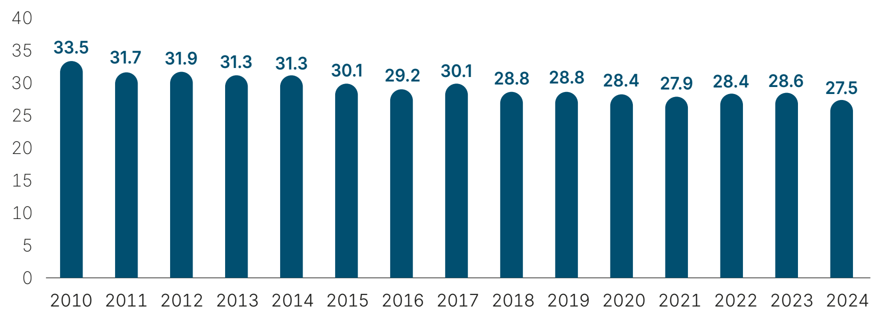
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Despite recording its smallest gender gap on record, Costa Rica continues to have the second-largest gender gap in Latin America, at 27.5 points, surpassed only by El Salvador. This difference is 6.6 points higher than the regional average of 21.0 points. Nevertheless, the gap has narrowed by 5.9 points since 2010.

The gap is more pronounced in employment quantity, where men score 85.6 points and women 57.0 points, a difference of 28.6 points. In the quality dimension, although the gap remains substantial, it is slightly smaller at 26.5 points (70.5 versus 44.0).

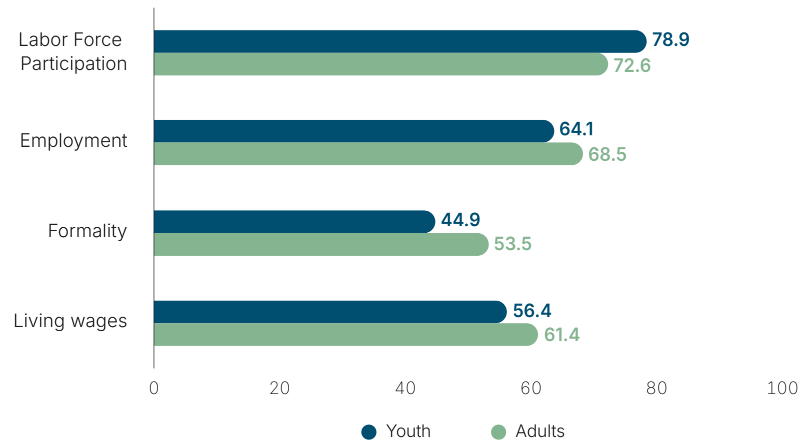


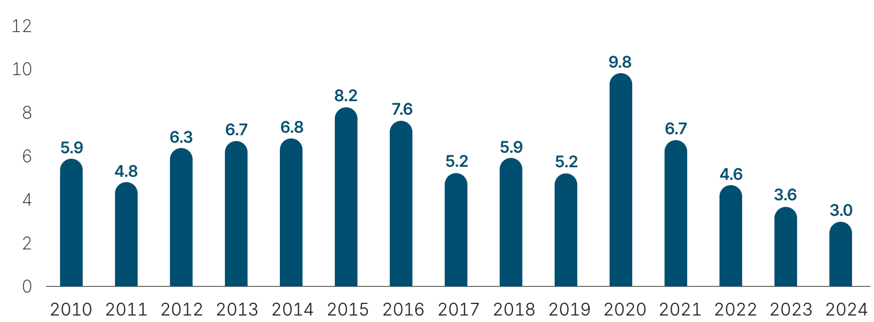


Age Differences

Costa Rica has the smallest gap between adults and youth in the Better Jobs Index in the region, at only 3.0 points. Although this difference widened significantly during the pandemic, it has steadily declined and now stands at its lowest level in the entire series.

In the quantity dimension, youth achieve a slightly higher score than adults, with a difference of –0.9 points. In contrast, the gap is larger in the quality dimension, where adults outperform youth by 6.9 points.





*The 2009 value is used as the reference for 2010 due to data availability.

ECUADOR

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Ecuador Falls in the Better Jobs Index and Remains Below Its Pre-Pandemic Level

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. Ecuador stands 2.1 points below the regional average and remains well below its 2018 level.

2. Compared with the previous edition, the country recorded weaker results in both dimensions of the Index.

3. Gender gaps widened, and disparities between youth and adults remain above the regional average.

Ecuador recorded declines across all four components of the Better Jobs Index, placing it 12th in the region. The country scored 55.9 points, 2.1 points below the Latin American average of 58.0. Compared with 2018, its score fell by 4.0 points, and relative to the previous edition, it declined by 1.6 points. The largest decrease occurred in the quality dimension, which dropped by 2.4 points, while the quantity dimension declined by 0.7 points.

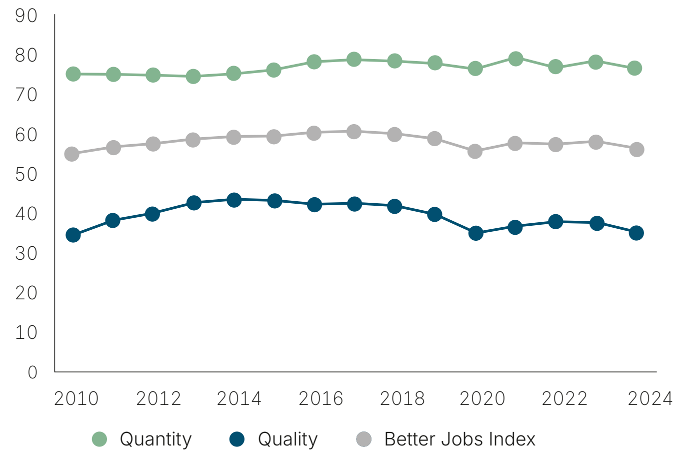
Position in the Better Jobs Index: 12th of 17

Labor force participation	77.3	Formality rate	21.4
Employment rate	75.4	Living wage	49.3

Evolution of the Better Jobs Index

Ecuador reached its highest score in 2017, with 60.4 points. Since then, its performance has steadily deteriorated. In the current edition, the country scored 55.9 points, only slightly above the level recorded during the pandemic (55.5 points). In addition, the components associated with employment quality continue to weaken.

The decline has been especially pronounced in the quality dimension, which remains one of the country's main labor market challenges.



In Context

WORKING-AGE POPULATION

11.2 million 2022 → **11.5 million** 2024

The adjusted working-age population[1] reached 10.1 million, representing a 3.1% increase compared with the previous edition.

LABOR FORCE

7.7 million 2022 → **7.8 million** 2024

The labor force (employed and unemployed population) increased by 1.9%.

EMPLOYED POPULATION

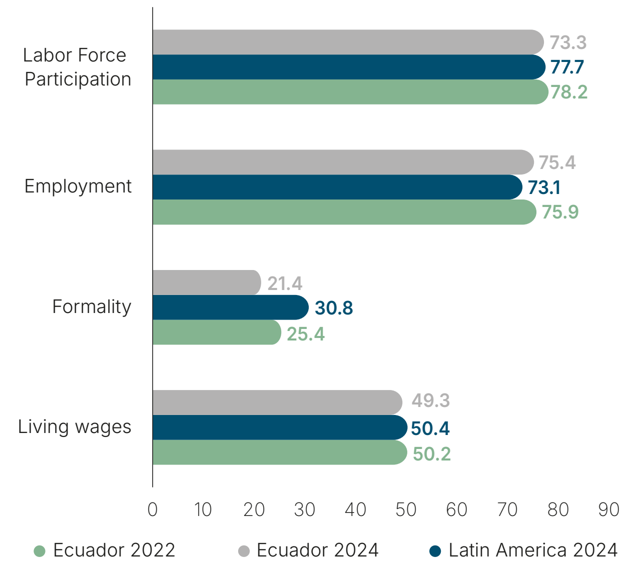
7.5 million 2022 → **7.6 million** 2024

The employed population grew by nearly 180,000 people, representing a 2.4% increase.

At a Glance: Ecuador and Latin America

The quantity dimension of Ecuador's Better Jobs Index remains above the regional average, driven mainly by a stronger employment component. Ecuador records 75.4 points in employment, compared with 73.1 points for Latin America. However, labor force participation is slightly below the regional average (77.3 versus 77.7).

In contrast, Ecuador performs well below the regional average in both quality indicators. The formality rate stands at 21.4 points, compared with 30.8 points for Latin America. Similarly, the share of workers in jobs with living wages reaches 49.3 points, slightly below the regional average of 50.4 points.

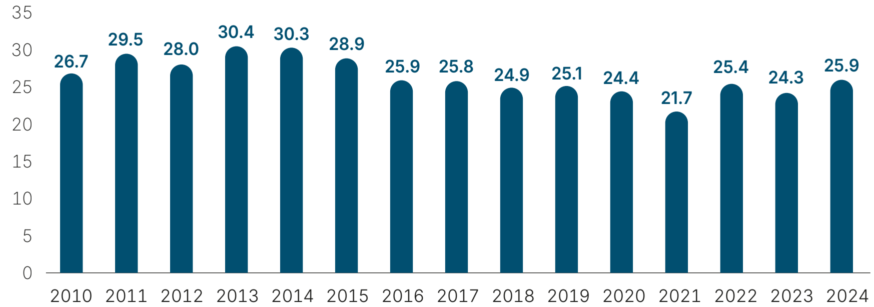


1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Ecuador has the fourth-largest gender gap in the region, behind only El Salvador, Costa Rica, and Guatemala. The difference between men and women reached 25.9 points, up from 25.4 points in the previous edition, confirming a reversal in the progress made through 2021 in narrowing this gap.

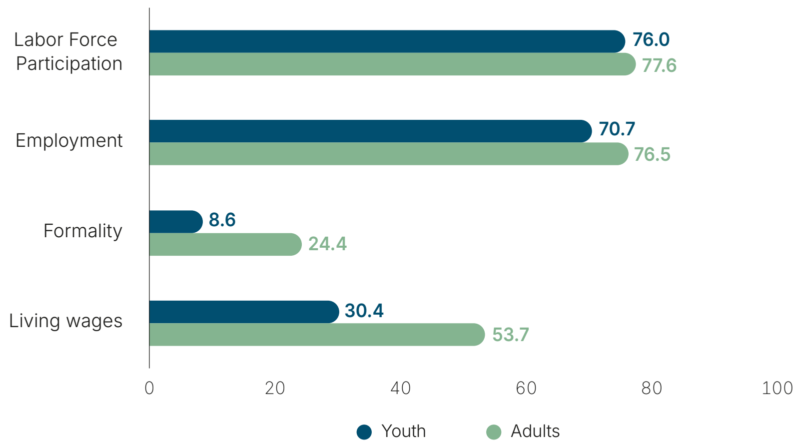
The gender gap widened across all components, in both quantity and quality. In labor force participation and employment, the difference in favor of men is 31.3 points. Within the quality dimension, jobs with living wages also show a gap of 31.3 points, while the difference in formality reaches 9.9 points.

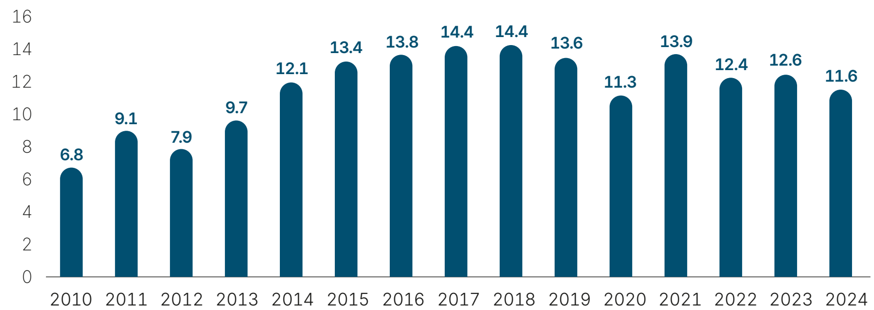


Age Differences

The gap between adults and youth in Ecuador improved slightly, declining from 12.4 points to 11.6 points in the current edition. Even so, it remains the sixth-largest gap in the region and exceeds the regional average of 9.9 points.

The largest differences are found in employment quality. The gap in formality reaches 15.8 points, while the gap in jobs with living wages stands at 23.3 points. Differences in employment quantity are smaller, amounting to 5.8 points in employment and 1.7 points in labor force participation.





*The 2009 value is used as the reference for 2010 due to data availability.

EL SALVADOR

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

El Salvador Reaches Its Highest Score on Record in the Better Jobs Index but Remains Well Below the Regional Average

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1 Compared with the previous edition, the country improved in both the quantity and quality dimensions.

2 Despite these gains, only about one-third of workers hold quality jobs.

3 The gender gap remains the largest in the region and continues to widen.

El Salvador improved by 1.8 points compared with the previous edition, increasing from 51.5 to 53.2 points. Nevertheless, the country remains below the regional average, and its gains were smaller than the average improvement observed across Latin America.

Position in the Better Jobs Index: 14th of 17

Labor force participation	72.3	Formality rate	23.5
Employment rate	70.3	Living wage	46.8

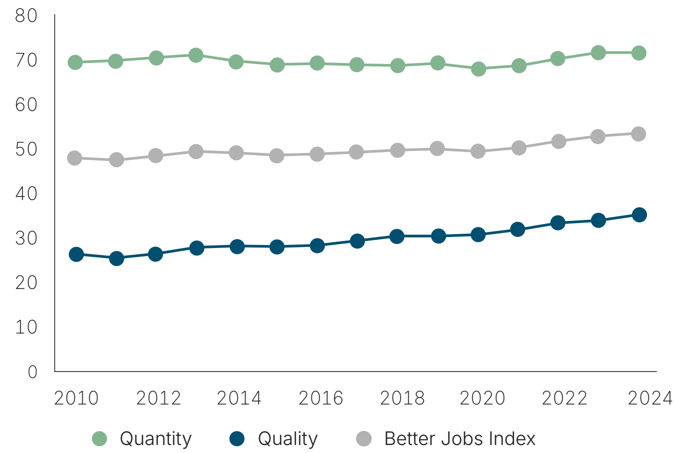
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

IDB

EL SALVADOR

Evolution of the Better Jobs Index

In the current edition of the Better Jobs Index, El Salvador reached its highest score on record, 53.2 points. This growth is explained by improvements in both dimensions of the Index. The quantity dimension increased from 69.8 to 71.3 points, while the quality dimension rose from 33.1 to 35.1 points, representing a 2.0-point improvement.



In Context

WORKING-AGE POPULATION

4.2 million 2022 › **4.2 million** 2024

The adjusted working-age population[1] reached 3.8 million, representing a slight decline of 0.5% compared with the previous edition.

LABOR FORCE

2.7 million 2022 › **2.8 million** 2024

The labor force (employed and unemployed population) increased by 1.5%.

EMPLOYED POPULATION

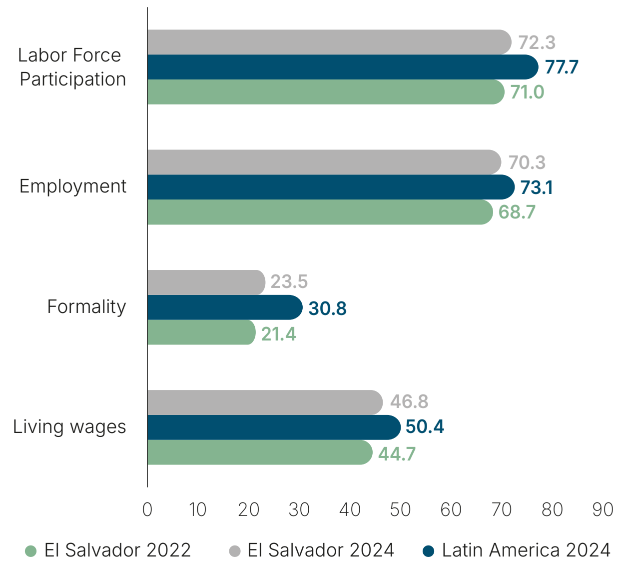
2.6 million 2022 › **2.7 million** 2024

The employed population grew by 1.9%, equivalent to approximately 49.5 thousand additional employed workers.

At a Glance: El Salvador and Latin America

Although El Salvador's Better Jobs Index improved, the country remains below the regional average in both dimensions. In the quantity dimension, labor force participation reaches 72.3 points, compared with 77.7 points for Latin America, while the employment rate stands at 70.3 points, below the regional average of 73.1 points.

The same pattern is observed in the quality dimension. The share of workers in jobs with living wages reaches 46.8 points, compared with 50.4 points for the region, while the formality rate stands at 23.5 points, well below the Latin American average of 30.8 points.



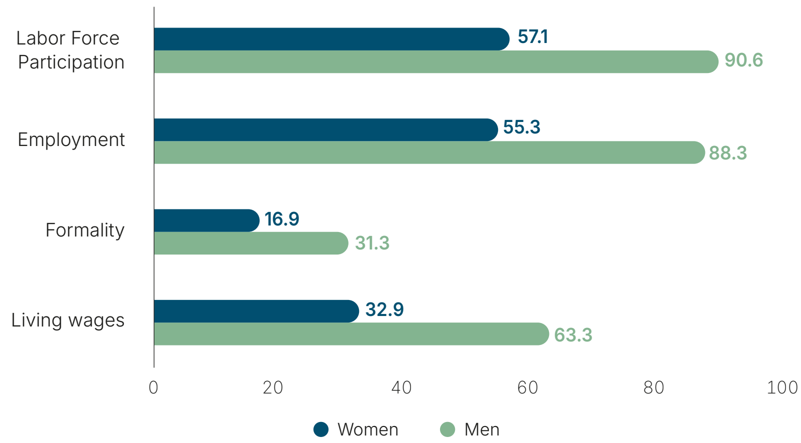
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

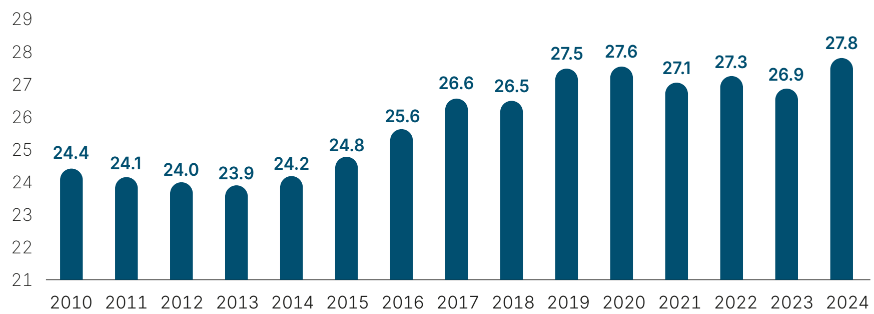
EL SALVADOR

Gender Differences

El Salvador has the largest gender gap in the region. Unlike the trend observed in most countries, this gap has widened since the first edition of the Index. In the current edition, it reached 27.8 points, compared with the regional average of 21.0 points.

In the quantity dimension, the average gender gap in labor force participation and employment is 33.3 points. In the quality dimension, the average difference is 22.4 points, with jobs with living wages showing the largest disparity, at 30.4 points.

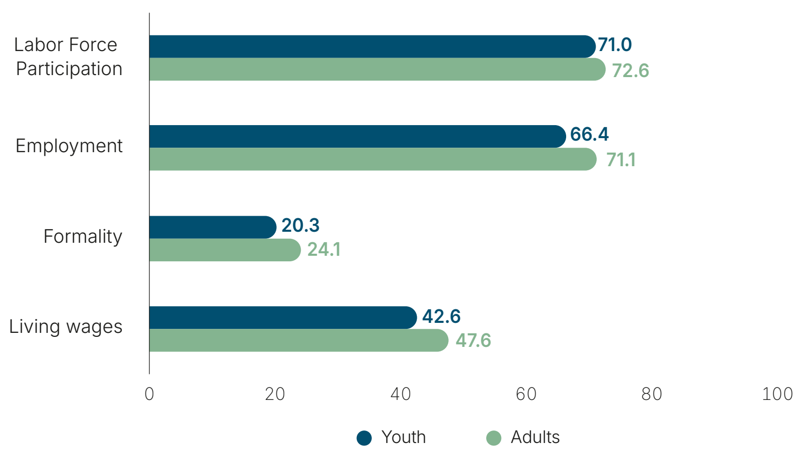


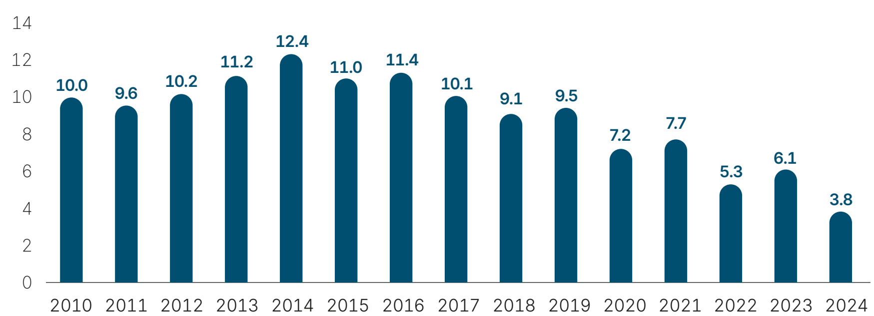


Age Differences

In contrast to the gender gap, the age gap in El Salvador has shown a declining trend since 2014, reaching only 3.8 points, substantially below the regional average of 9.9 points.

Differences between adults and youth are relatively small. The gap in the quantity dimension is 3.2 points, consisting of 1.7 points in labor force participation and 4.7 points in employment. In the quality dimension, the gap is 4.4 points, with 5.0 points for jobs with living wages and 3.8 points for formality.





*The 2009 value is used as the reference for 2010 due to data availability.

GUATEMALA

Guatemala Improves in the Better Jobs Index but Continues to Lag the Region

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1 Guatemala recorded a slight increase, reaching its highest level since the series began.

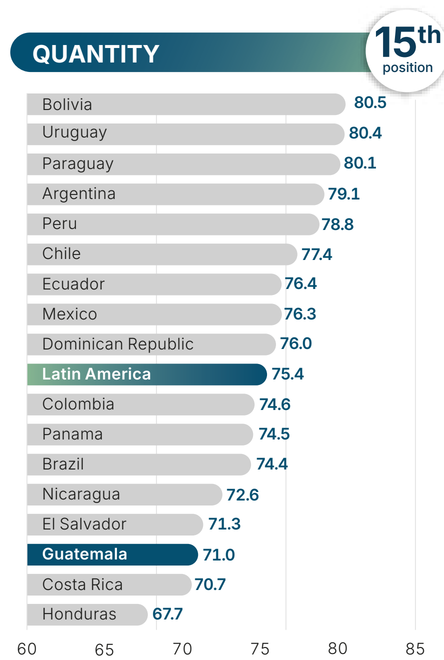
2 This improvement was driven by gains in employment quantity, despite a slight decline in employment quality.

3 The country ranks 16th in the regional distribution.

Guatemala increased its score in the Better Jobs Index by 2.1 points, a larger improvement than the regional average increase of 1.6 points. This progress was driven primarily by a 4.8-point increase in the quantity dimension, which also exceeded the regional average increase of 1 point. However, the quality dimension declined by 0.6 points. Despite these gains, Guatemala remains among the lowest-ranked countries in the Index, ahead of only Honduras.

Position in the Better Jobs Index: 16th of 17

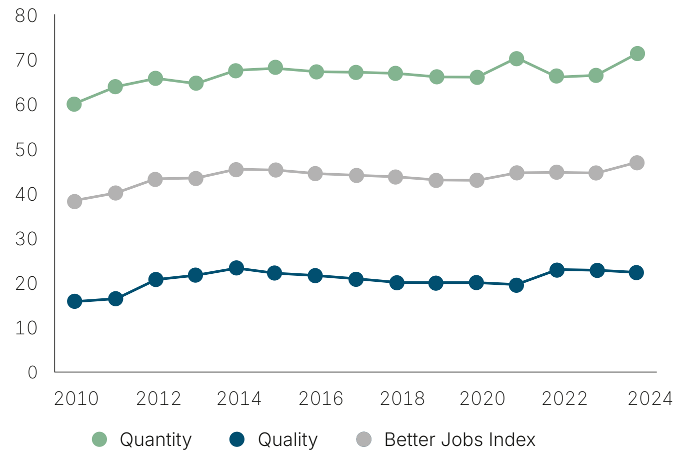
Labor force participation	71.7	Formality rate	13.1
Employment rate	70.4	Living wage	31.2



GUATEMALA

Evolution of the Better Jobs Index

Guatemala's Better Jobs Index increased slightly compared with the previous edition and reached its highest level since the series began. Although the overall Index has grown modestly in recent years, the quality dimension has declined. Even so, this indicator remains close to its 2014 level, while the quantity dimension reached a historic high, reversing the negative trend observed in previous years.



In Context

WORKING-AGE POPULATION

10.7 million 2022 › **10.6 million** 2024

The adjusted working-age population[1] reached 10.2 million, representing a 2.2% increase compared with the previous edition.

LABOR FORCE

6.7 million 2022 › **7.3 million** 2024

The labor force (employed and unemployed population) increased by 8.8%.

EMPLOYED POPULATION

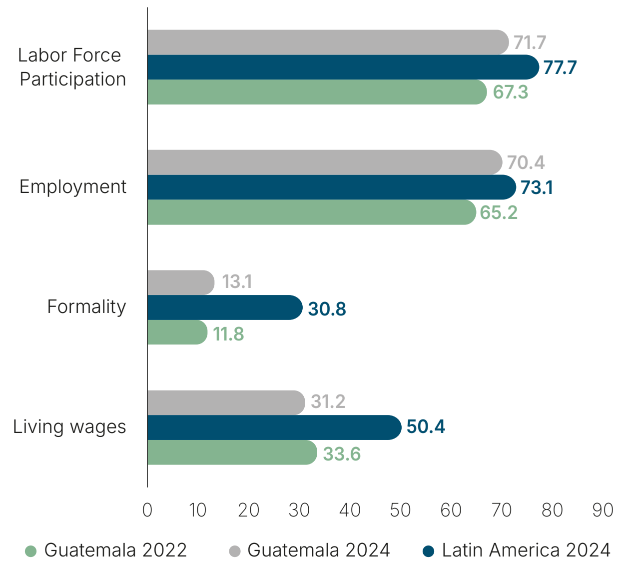
6.5 million 2022 › **7.2 million** 2024

The employed population grew by 10.4%, equivalent to 674,022 additional employed people.

At a Glance: Guatemala and Latin America

The quantity components of Guatemala's Better Jobs Index—employment and labor force participation—improved compared with the previous edition. However, the country continues to perform below the regional average. Guatemala records an employment rate of 70.4 points, compared with 73.1 points in Latin America, and a labor force participation rate of 71.7 points, compared with the regional average of 77.7 points.

Within the quality dimension, only the formality rate showed a slight improvement, increasing from 11.8 to 13.1 points. By contrast, the share of workers in jobs with living wages declined from 33.6 to 31.2 points. As a result, Guatemala remains below the regional average in both quality indicators, with Latin America recording 30.8 points in formality and 50.4 points in jobs with living wages.

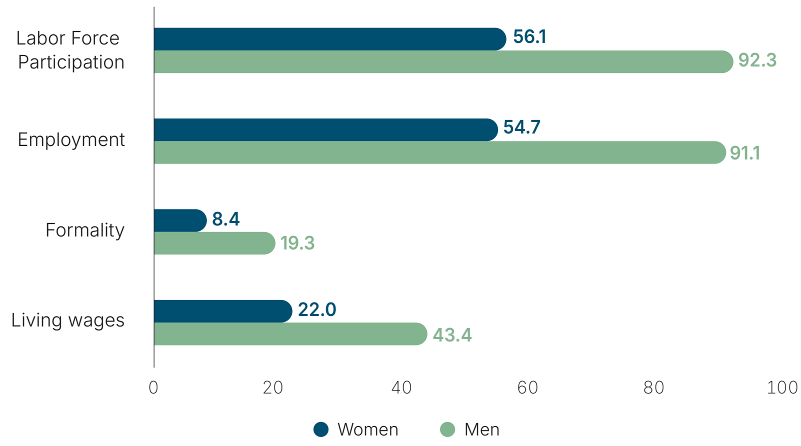


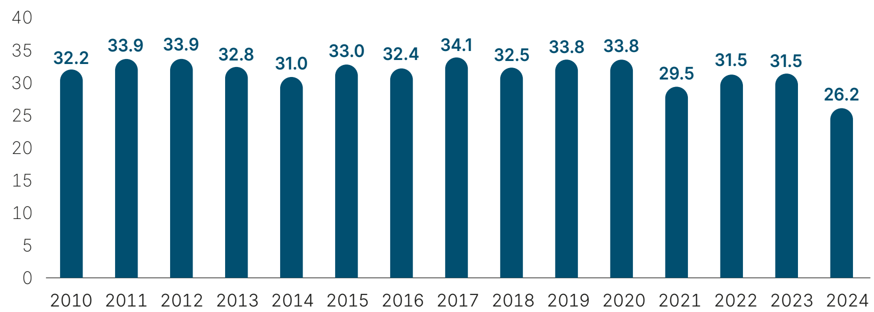
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Guatemala has the third-largest gender gap in the region, standing at 26.2 points, compared with the regional average of 21.0 points. Nevertheless, this represents the smallest gender gap recorded since 2010.

The largest disparities are found in the quantity dimension, where the male score exceeds the female score by 36.3 points (91.7 versus 55.4). In the quality dimension, the gap is also substantial, though smaller, at 16.2 points (31.4 versus 15.2).

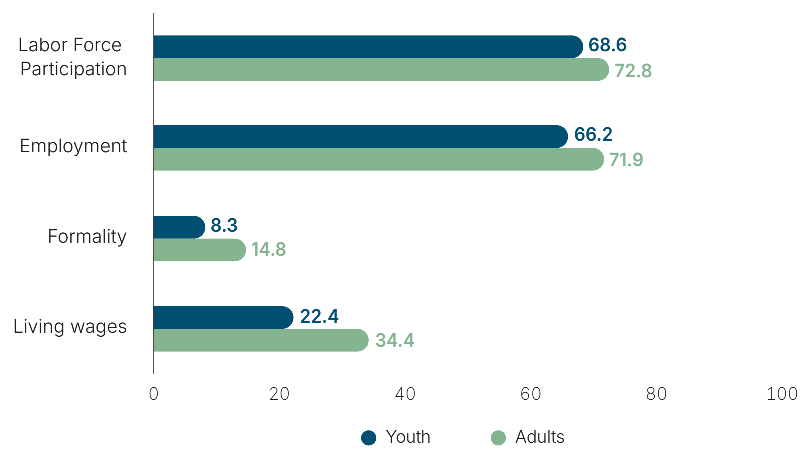


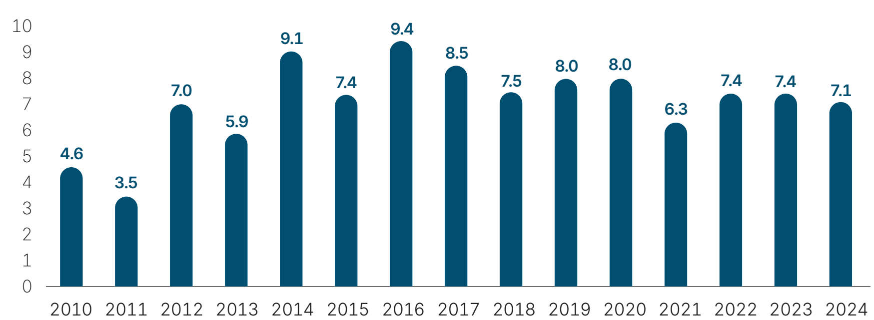


Age Differences

The gap between adults and youth in Guatemala is smaller than the regional average, standing at 7.1 points compared with 9.9 points across Latin America. However, this difference has increased since 2010 and has remained within a similar range over the past decade.

The largest disparity is found in employment quality, where adults score 9.3 points higher than youth (24.6 versus 15.4). In the quantity dimension, the gap is smaller, at 4.9 points (72.3 versus 67.4).





*The 2009 value is used as the reference for 2010 due to data availability.

MEXICO

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Mexico Improves in the Better Jobs Index and Surpasses the Regional Average for the First Time

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1 Mexico reached its highest level on record in all four components of the Index.

2 The quality dimension continues to represent a major challenge for the country.

3 The gender gap remains one of the highest in the region and continues to be among Mexico's main labor market challenges.

Mexico ranks ninth in the Better Jobs Index with 58.6 points, surpassing the regional average for the first time. The country gained 3.4 points compared with 2022 and 4.6 points compared with 2018, reflecting strong recent performance. The quantity dimension increased by 1 point, remaining above the regional average of 75.4, while the quality dimension grew by 6.5 points, rising from 34.3 to 40.8, well above the regional increase from 38.4 to 40.6.

Position in the Better Jobs Index: 9th of 17

Labor force participation	77.6	Formality rate	31.4
Employment rate	75.1	Living wage	50.2

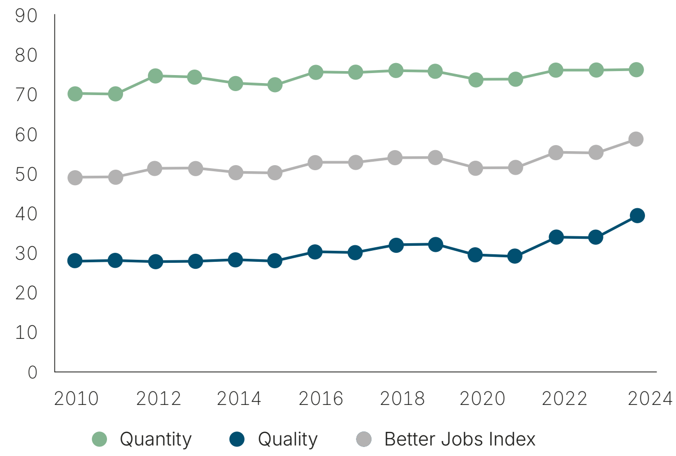
IDB

MEXICO

Evolution of the Better Jobs Index

Mexico is one of the countries that has improved the most since the Better Jobs Index began to be measured. In the current edition, it reached its highest score on record after recovering from the decline experienced during the pandemic.

Over the past 14 years, the country increased its quantity dimension score by 6.2 points and its quality dimension score by 12.7 points.



In Context

WORKING-AGE POPULATION

86.0 million 2022 → **87.7 million** 2024

The adjusted working-age population[1] reached 79.2 million, representing a 1.8% decline from the previous edition (77.8 million).

LABOR FORCE

60.2 million 2022 → **61.5 million** 2024

The labor force (employed and unemployed population) increased by 1.2 million people (2.0%), rising from 60.2 million to 61.5 million.

EMPLOYED POPULATION

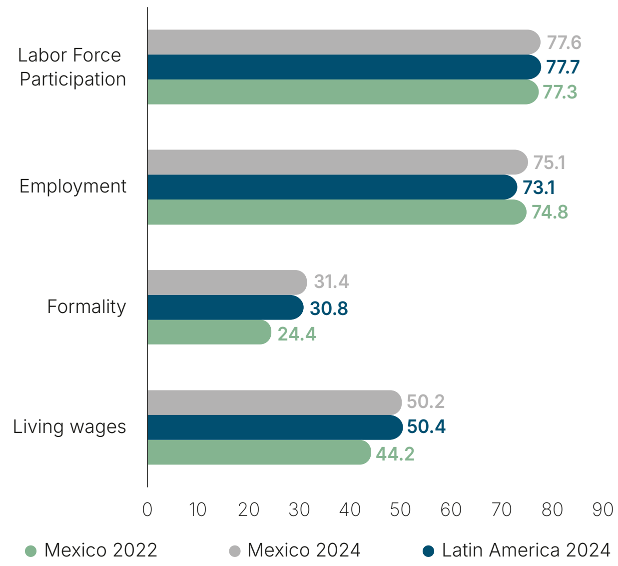
58.3 million 2022 → **59.5 million** 2024

The employed population increased by 1.2 million people (2.1%), from 58.3 million to 59.5 million.

At a Glance: Mexico and Latin America

Mexico improved across all four components of the Better Jobs Index. In the quantity dimension, the country performs above the regional average. Although labor force participation is virtually identical to the regional level (77.6 versus 77.7), Mexico records a higher employment rate (75.1 versus 73.1).

The most significant gains are observed in the quality dimension. Mexico achieved substantial improvements in both indicators. The formality rate reached 31.4 points, compared with 30.8 points for Latin America. Likewise, the share of workers in jobs with living wages reached 50.2 points, very close to the regional average of 50.4 points.

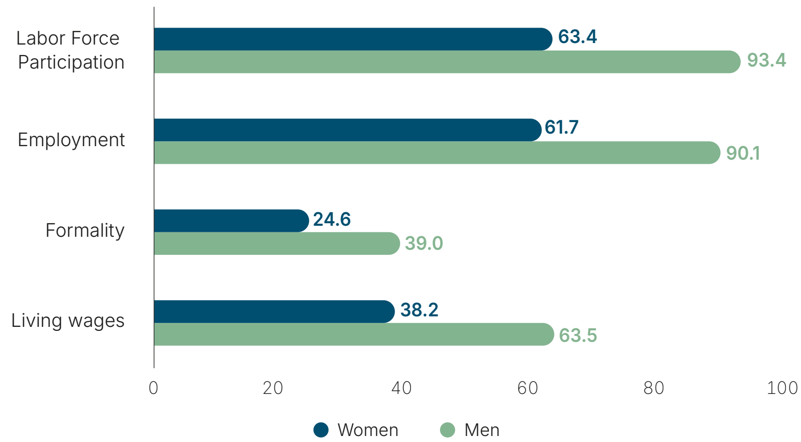


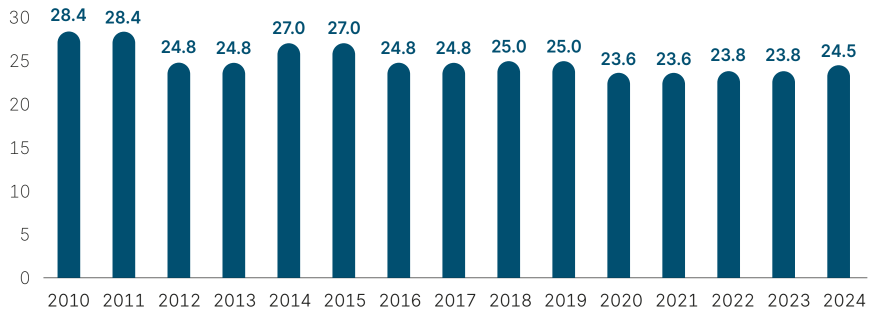
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Mexico continues to have the fifth-largest gender gap in the Better Jobs Index, with a difference of 24.5 points between men and women, 3.5 points higher than the regional average. The gap widened by 0.8 points compared with the previous edition, while the regional average declined by 0.5 points.

The gender gap in the quantity dimension narrowed slightly, from 29.8 to 29.2 points. However, the gap in the quality dimension widened considerably, increasing by just over 2 points, from 17.2 to 19.9 points.

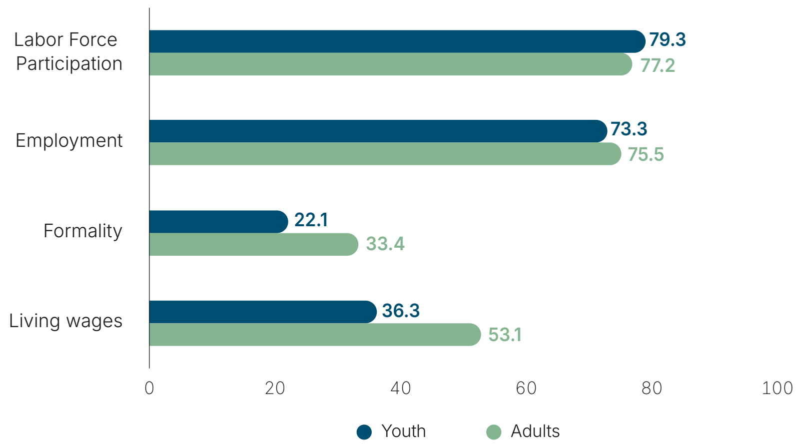


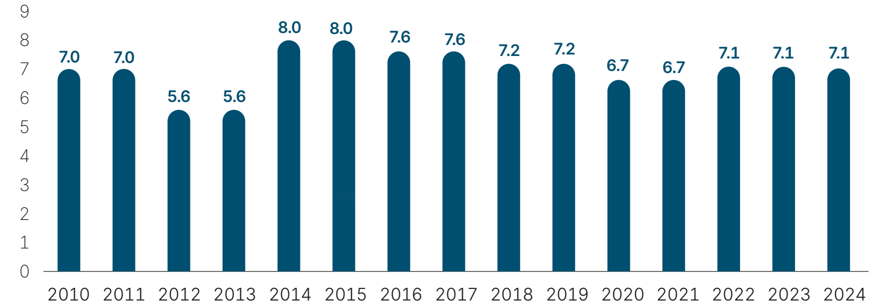


Age Differences

Mexico has the fifth-smallest gap between youth and adults in the Better Jobs Index, at 7.1 points, which is below the regional average of 9.9 points.

The gap in the quantity dimension is virtually nonexistent, at only 0.1 points (76.3 versus 76.4). In contrast, the quality dimension shows a much wider difference of 14 points, with scores of 29.2 for youth and 43.2 for adults.





*The 2009 value is used as the reference for 2010 due to data availability.

PANAMA

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Panama Declines in the Better Jobs Index and Falls to Eighth Place

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. After ranking third in the Index before the pandemic, Panama now records a lower score than in the previous edition.

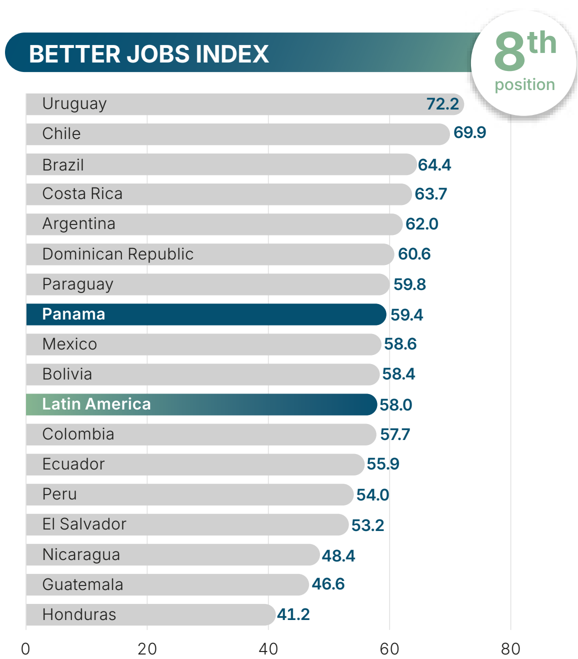
2. Despite this decline, the country remains above the Latin American average.

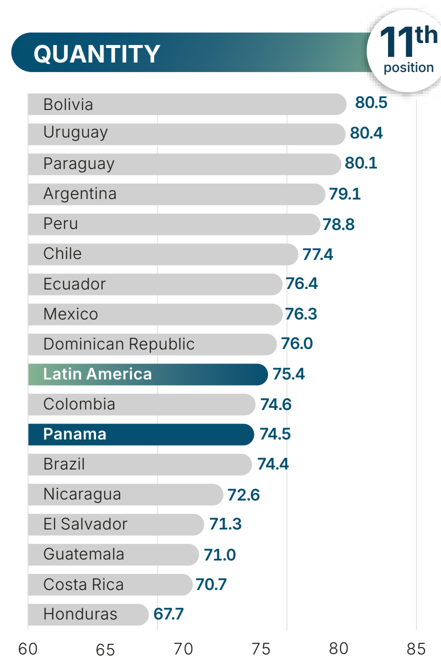
3. Inequalities show opposite trends: the gender gap continues to narrow, while the gap between youth and adults has widened considerably.

Panama recorded a decline in the Better Jobs Index compared with the previous edition, falling from 60.1 to 59.4 points. The decrease was driven by reductions in both dimensions of the Index: employment quantity and employment quality. The quantity dimension fell from 75.2 to 74.5 points, while the quality dimension declined from 45.0 to 44.3 points.

Position in the Better Jobs Index: 8th of 17

Labor force participation	77.8	Formality rate	32.0
Employment rate	71.2	Living wage	56.7



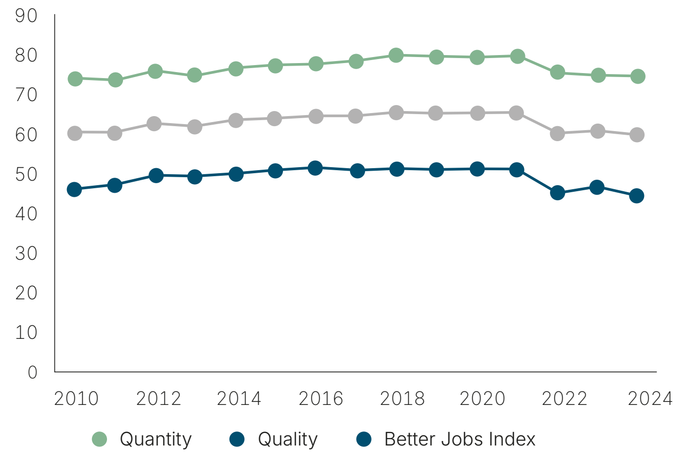


IDB

PANAMA

Evolution of the Better Jobs Index

Panama has experienced a sustained decline in its Better Jobs Index since 2018. Since then, both dimensions of the Index—quantity and quality—have steadily deteriorated. Compared with the previous edition, the overall Index and both dimensions declined by approximately 0.7 points, causing the country to fall from third to eighth place in the regional ranking. This deterioration reflects a weakening in employment quality.



In Context

WORKING-AGE POPULATION

2.7 million 2022 › **2.8 million** 2024

The adjusted working-age population[1] reached 2.5 million, representing an increase of 3.2% compared with the previous edition (2.4 million).

LABOR FORCE

1.9 million 2022 › **1.9 million** 2024

The labor force (employed and unemployed population) grew by 1.2%.

EMPLOYED POPULATION

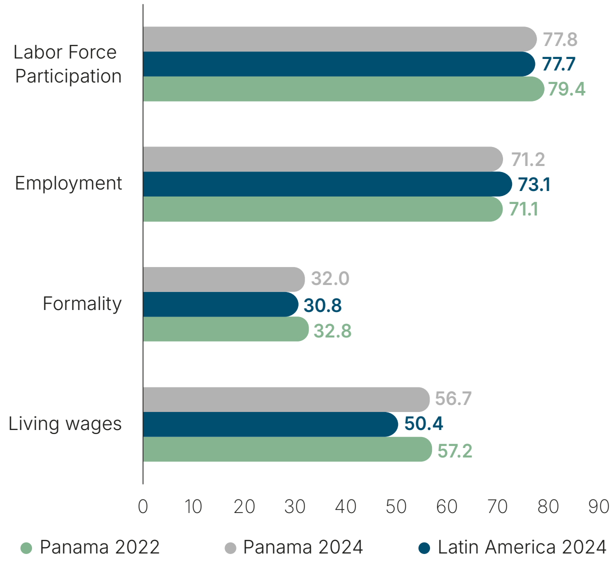
1.7 million 2022 › **1.8 million** 2024

The employed population increased by 3.4%, equivalent to approximately 60 thousand additional workers.

At a Glance: Panama and Latin America

Compared with the Latin American average, Panama outperforms the region in three of the four components of the Better Jobs Index: labor force participation, formality, and jobs with living wages. Panama maintains better labor market conditions in the latter two indicators, with a formality rate 1.2 points higher than the regional average and a score for jobs with living wages that is 6.3 points higher.

In the quantity dimension, Panama's labor force participation rate is 0.1 points above the regional average, while its employment rate is 1.9 points below it.

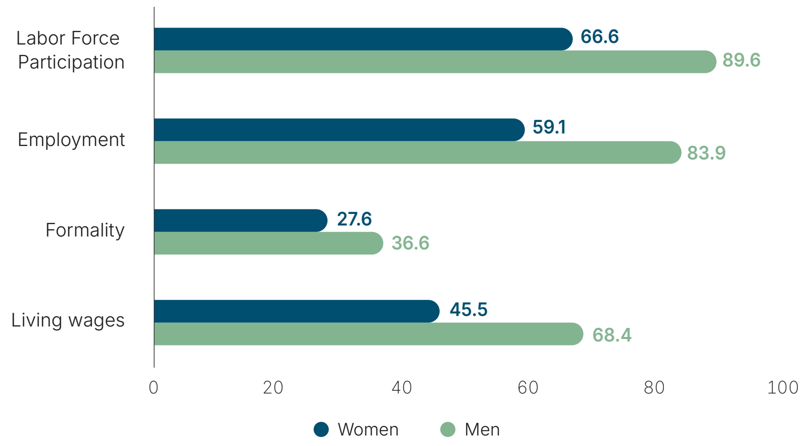


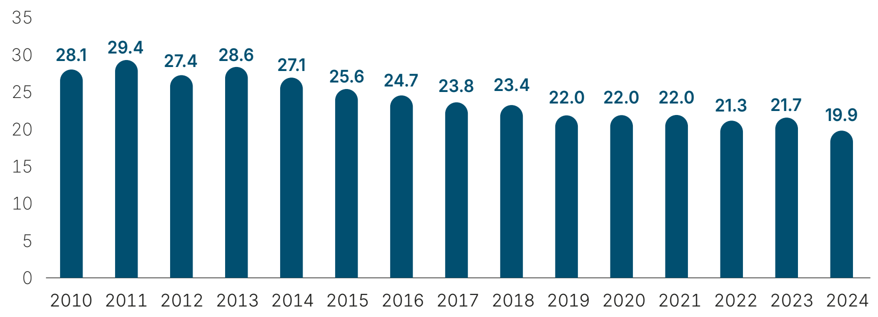
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Panama recorded a gender gap of 19.9 points, the lowest since the series began (28.1 points in 2010). Despite this improvement, the gap remains only slightly below the regional average of 21.0 points.

The largest disparities are found in the quantity dimension, where the gap reaches 24.8 points in employment and 22.9 points in labor force participation. In the quality dimension, men score 22.8 points higher than women in jobs with living wages and 9.0 points higher in formality.

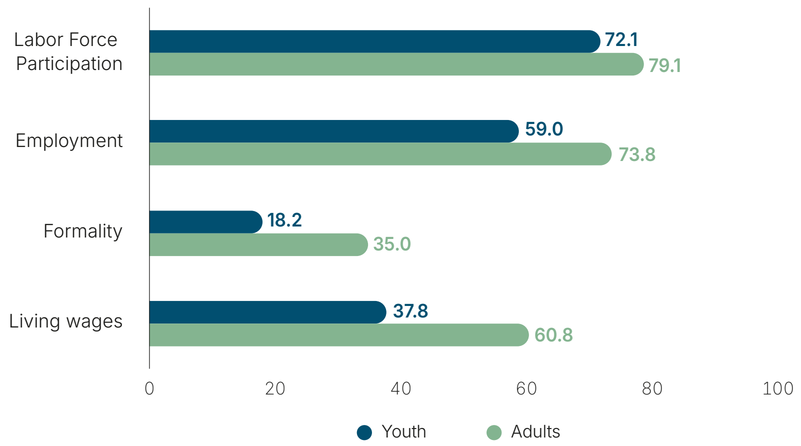


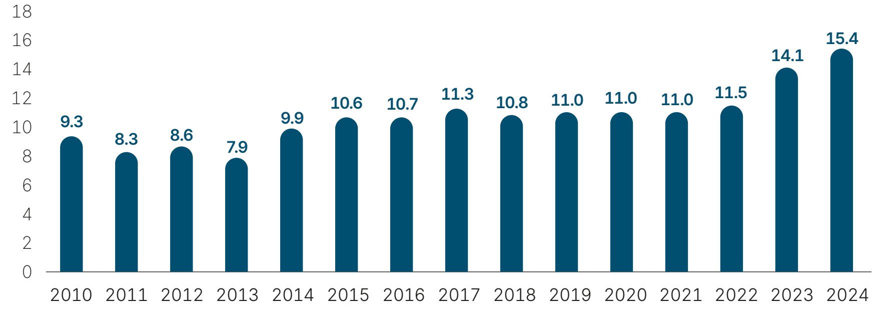


Age Differences

The gap between youth and adults in Panama widened considerably after the pandemic, increasing from 11.0 points to 15.4 points in the current edition. As a result, Panama now has one of the largest generational gaps in the region.

The greatest differences are found in the quality dimension. The gap in jobs with living wages reaches 22.9 points, while the gap in formality stands at 16.8 points. In the quantity dimension, the differences are more moderate, amounting to 14.8 points in employment (73.8 versus 59.0) and 7.0 points in labor force participation (79.1 versus 72.1).





*The 2009 data is used to reference 2010 due to availability.

PARAGUAY

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Paraguay Consolidates Its Progress in the Better Jobs Index and Improves Across All Indicators

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. Paraguay performs above the Latin American average in all components of the Index except formality.

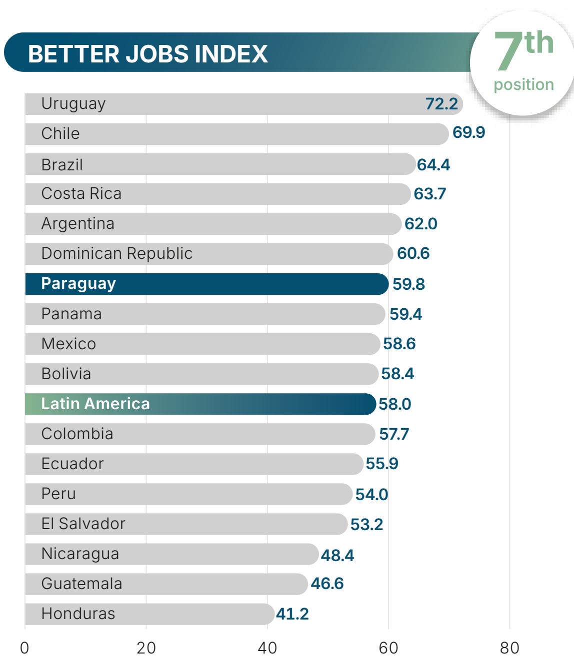
2. Its score increased slightly in the quantity dimension and even more in the quality dimension.

3. Gender and age gaps continue to narrow. In the latter case, the country recorded the smallest age gap observed to date.

Paraguay scored 59.8 points in the Better Jobs Index, posting a moderate 1.4-point increase over the previous edition and improving its position in the regional ranking. The country now ranks seventh, above the Latin American average of 58.0 points. This improvement was driven primarily by the quality dimension, which increased by 2.0 points, while the quantity dimension recorded a smaller gain of 0.8 points.

Position in the Better Jobs Index: 7th of 17

Labor force participation	82.1	Formality rate	20.1
Employment rate	78.1	Living wage	58.7



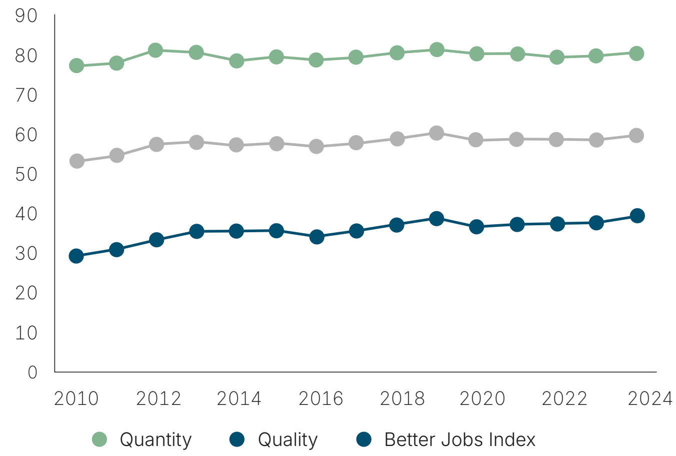
IDB

PARAGUAY

Evolution of the Better Jobs Index

Paraguay's performance in the Better Jobs Index has remained relatively stable over the past decade, despite the impact of the pandemic. The Index increased from 53.2 points in 2010 to 57.4 points in 2015 and 59.8 points in 2024.

The quality dimension has shown a positive trend in recent years, reaching nearly 40 points. However, most workers still lack access to quality jobs. Meanwhile, the quantity dimension has remained stable at around 80 points.



In Context

WORKING-AGE POPULATION

4.8 million 2022 › **4.9 million** 2024

The adjusted working-age population[1] reached 4.5 million, representing a 2.9% increase compared with the previous edition (4.3 million).

LABOR FORCE

3.6 million 2022 › **3.7 million** 2024

The labor force (employed and unemployed population) increased by 3.4%.

EMPLOYED POPULATION

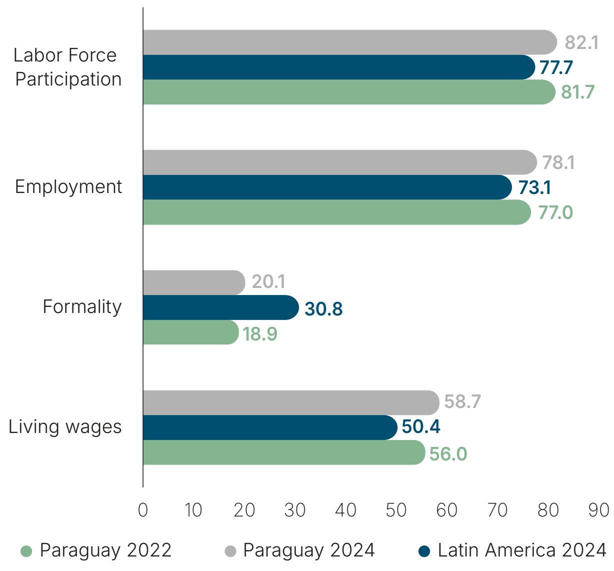
3.3 million 2022 › **3.5 million** 2024

The employed population grew by 4.4%, equivalent to approximately 147 thousand additional workers.

At a Glance: Paraguay and Latin America

Three of the four components of Paraguay's Better Jobs Index are above the regional average, except for formality. In the quantity dimension, Paraguay outperforms the regional average in both indicators, recording a labor force participation rate of 82.1 compared with 77.7 for Latin America, and an employment rate of 78.1 compared with 73.1.

Performance in the quality dimension is mixed. Paraguay remains below the regional average in labor formality, with a score of 20.1 compared with 30.8 for Latin America. However, it outperforms the region in jobs with living wages, scoring 58.7 compared with the regional average of 50.4.



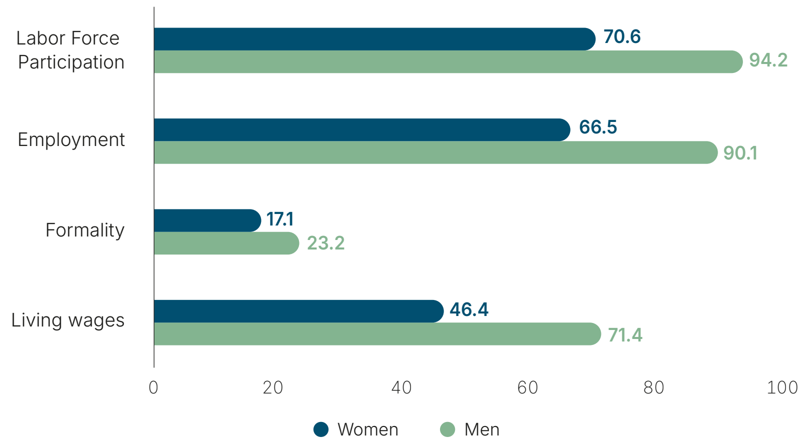
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

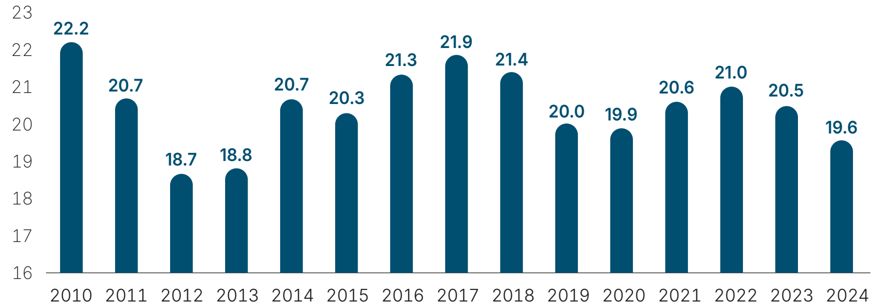
PARAGUAY

Gender Differences

Paraguay's gender gap is very close to the regional average. The difference between men and women stands at 19.6 points, compared with 21.0 points across Latin America.

The largest disparity is observed in the quantity dimension, where the male score exceeds the female score by 23.6 points (92.1 versus 68.6). A gender gap is also present in the quality dimension, although it is smaller, at 15.6 points, with men scoring 47.3 points and women 31.8 points.

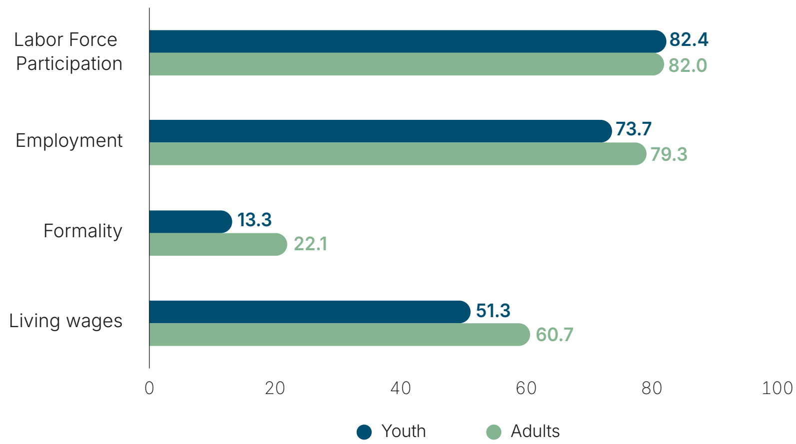


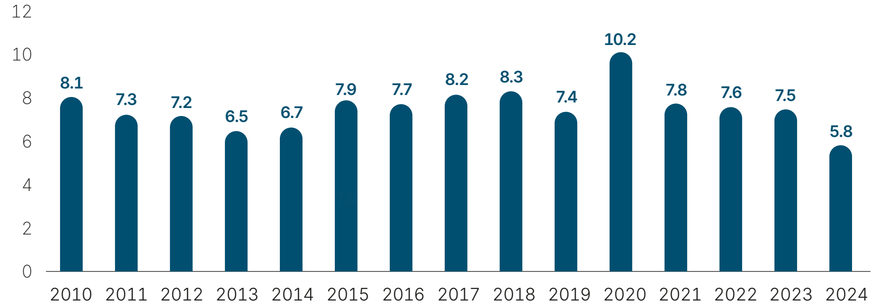


Age Differences

Paraguay has the fourth-smallest gap between adults and youth in the region, with a difference of 5.8 points (61.0 versus 55.2). This gap is considerably lower than the regional average of 9.9 points.

The disparity is more pronounced in the quality dimension, where the gap reaches 9.1 points (41.4 versus 32.3). In the quantity dimension, the difference is smaller, at 2.6 points (80.7 versus 78.1).





*The 2009 value is used as the reference for 2010 due to data availability.

PERU

Peru Advances in the Better Jobs Index but Has Not Fully Recovered from Pandemic Losses

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

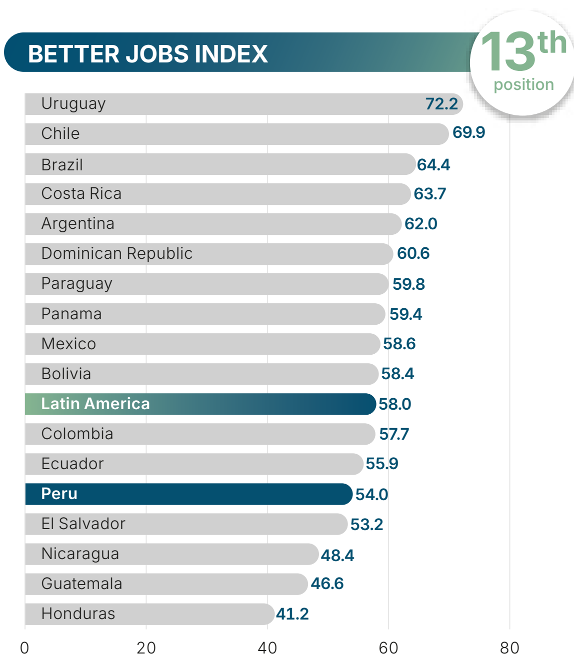
The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

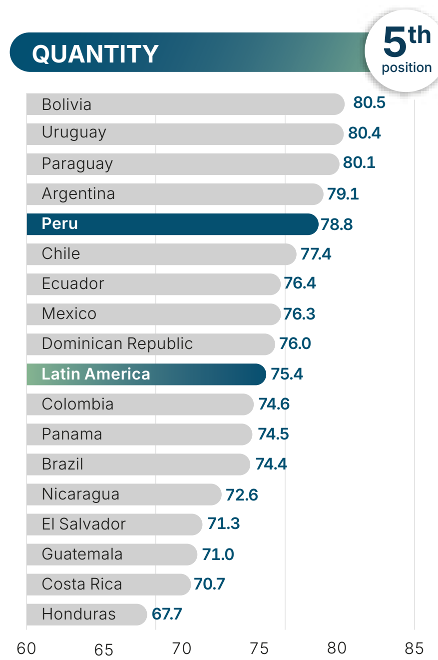
1. Peru improved in both dimensions of the Index: employment quantity and employment quality.
2. These gains were not sufficient to return to the level observed in 2018, prior to the pandemic.
3. The country continues to have the third-smallest gender gap in the region, while the gap between youth and adults has declined.

Peru remained in 13th place in the Better Jobs Index, with an increase of 0.9 points compared with the previous edition. However, the country has not yet returned to the 55.9 points recorded in 2018, the last measurement before the pandemic. As a result, Peru remains below the regional average, ranking ahead of only Honduras, Guatemala, Nicaragua, and El Salvador. Both the quantity and quality dimensions increased by nearly one point, reaching 78.8 and 29.2 points, respectively.

Position in the Better Jobs Index: 13th of 17

Labor force participation	81.6	Formality rate	16.0
Employment rate	76.0	Living wage	42.4

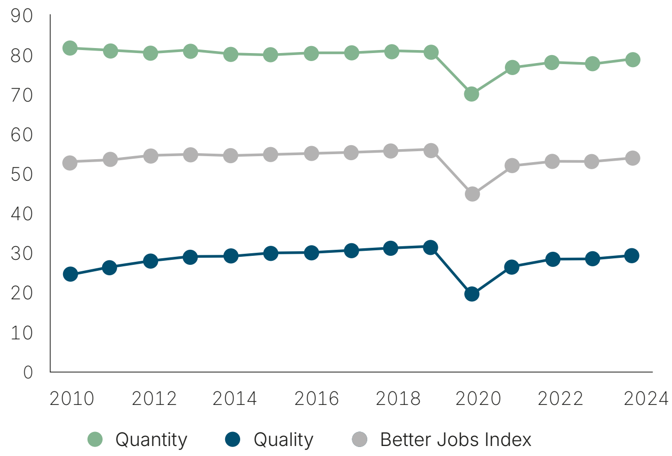




Evolution of the Better Jobs Index

Peru was the second country most affected by the pandemic. Between 2018 and 2020, its Better Jobs Index fell from 55.9 to 44.8 points. Although the country has improved every year since then, it has not yet recovered its pre-pandemic levels.

The quantity dimension remains below its 2010 level, while the quality dimension is still below its historical peak and is growing at a much slower pace than before the pandemic.



In Context

WORKING-AGE POPULATION

22.3 million 2022 → **22.4 million** 2024

The adjusted working-age population[1] reached 20.7 million, remaining virtually unchanged compared with the previous edition.

LABOR FORCE

16.4 million 2022 → **16.9 million** 2024

The labor force (employed and unemployed population) grew by 2.8%.

EMPLOYED POPULATION

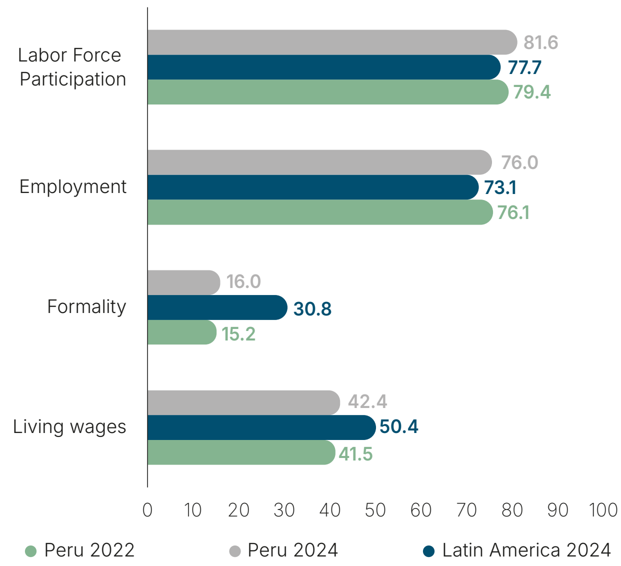
15.7 million 2022 → **15.7 million** 2024

The employed population remained essentially stable, declining by 0.1%, equivalent to approximately 13,000 workers.

At a Glance: Peru and Latin America

Peru performs above the regional average in the quantity dimension but below it in the quality dimension. The country records higher scores than Latin America in both labor force participation (81.6 versus 77.7) and employment (76.0 versus 73.1).

In terms of job quality, however, Peru lags significantly behind regional levels, particularly in formality. The country scores 16.0 points in labor formality, compared with 30.8 points for Latin America. Likewise, the share of workers in jobs with living wages reaches 42.4 points, well below the regional average of 50.4 points.

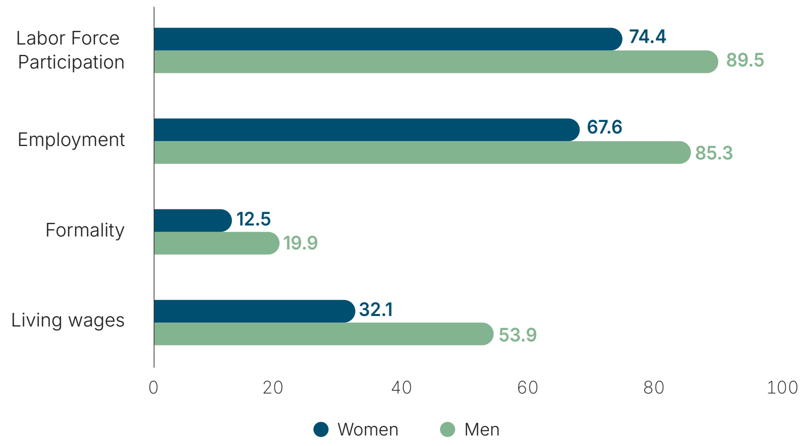


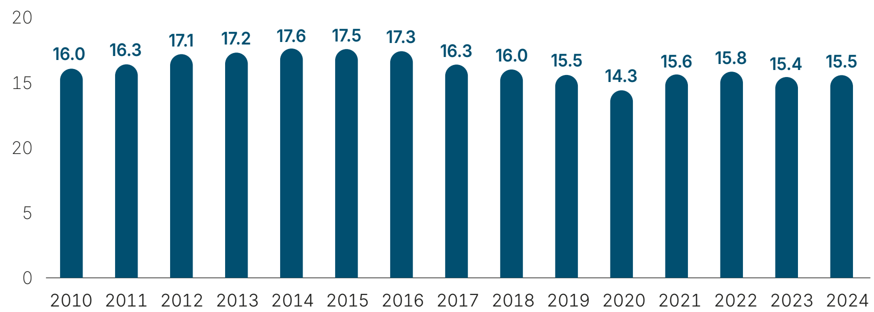
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

Gender Differences

Peru ranks third among the countries with the smallest gender gap in the Better Jobs Index. The difference between men and women stands at 15.5 points, with men scoring 62.1 points and women 46.6 points. However, this gap is slightly wider than the 14.3-point difference recorded during the pandemic.

Gender disparities are larger in the quantity dimension, where men score 87.4 points and women 71.0 points, a difference of 16.4 points. In terms of job quality, men also outperform women, with a gap of 14.6 points (36.9 versus 22.3).

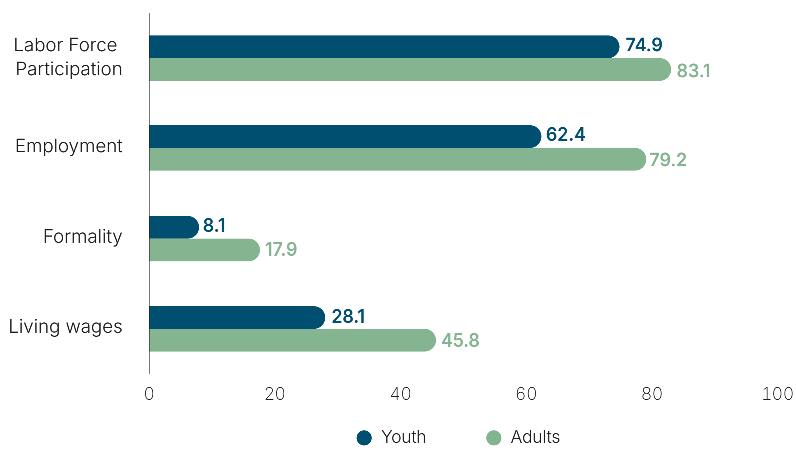


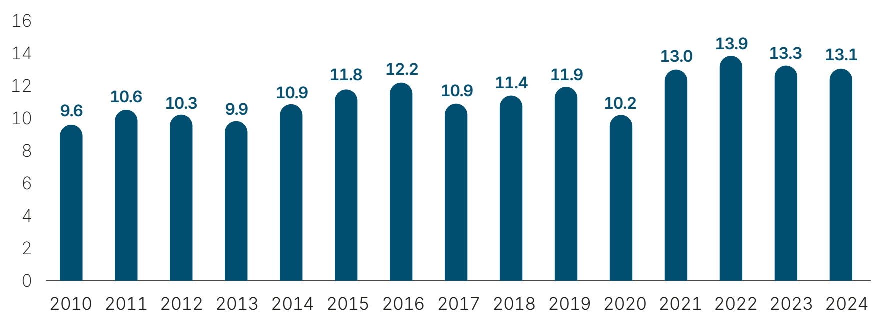


Age Differences

The gap between adults and youth in Peru narrowed somewhat, moving from the second-largest gap in the region to the fifth-largest. The difference now stands at 13.1 points (56.5 versus 43.4), which remains significantly higher than the regional average of 9.9 points. Despite the recent improvement, this gap continues to exceed the levels observed since measurement began.

The disparity is slightly larger in the quality dimension, where it reaches 13.7 points (31.8 versus 18.1). In the quantity dimension, the gap stands at 12.5 points (81.1 versus 68.7).





*The 2009 value is used as the reference for 2010 due to data availability.

DOMINICAN REPUBLIC

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

The Dominican Republic Achieves a Record High in the Better Jobs Index and Ranks Sixth in the Region

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1 The country improved in both the quantity and quality of employment, with particularly strong gains in job quality.

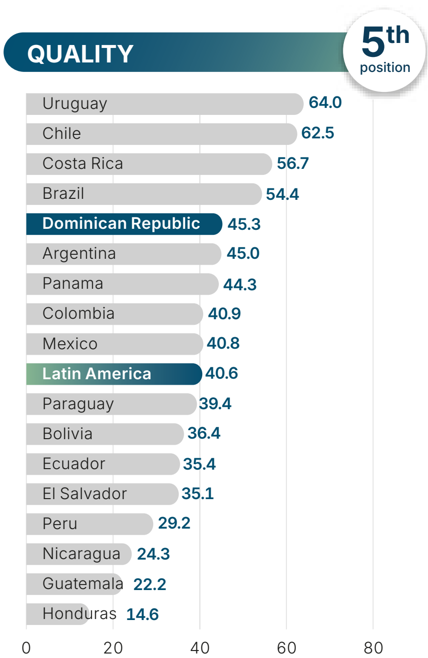
2 These improvements allowed the Dominican Republic to surpass its pre-pandemic level and move into sixth place in the regional ranking.

3 The country also narrowed both its gender and age gaps. The gender gap, reached a historic low, while the age gap, approached its lowest level on record.

The Dominican Republic's Better Jobs Index increased by 2.2 points, reaching its highest level on record and leaving behind the negative effects of the pandemic. This improvement was driven by growth in both dimensions of the Index. The quantity dimension increased from 74.4 to 76.0 points, while the quality dimension rose even more, from 42.5 to 45.3 points. The country has therefore maintained the positive trend that began after the pandemic.

Position in the Better Jobs Index: 6th of 17

Labor force participation	78.1	Formality rate	33.5
Employment rate	73.9	Living wage	57.0



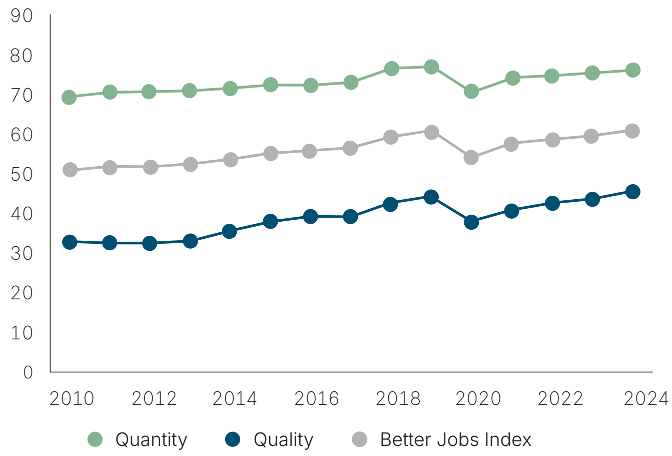
IDB

DOMINICAN REPUBLIC

Evolution of the Better Jobs Index

In the current edition, the Dominican Republic recorded its highest Better Jobs Index score ever, reaching 60.6 points, after having fallen to 54.2 points in 2020. Since then, the country has improved in both quantity (from 70.6 to 76.0 points) and quality (from 37.8 to 45.3 points).

Despite these advances, most jobs in the country remain low-quality.



In Context

WORKING-AGE POPULATION

6.8 million 2022 → **6.9 million** 2024

The adjusted working-age population[1] reached 6.3 million, representing a 3.3% increase compared with the previous edition.

LABOR FORCE

4.7 million 2022 → **4.9 million** 2024

The labor force (employed and unemployed population) increased by 4.3%.

EMPLOYED POPULATION

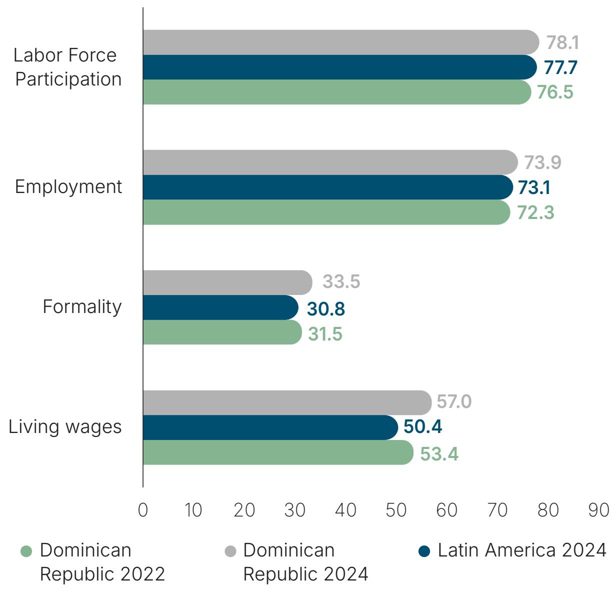
4.3 million 2022 → **4.7 million** 2024

The largest growth occurred in the employed population, which increased by 7.3%, equivalent to more than 300 thousand people.

At a Glance: Dominican Republic and Latin America

The Dominican Republic moved from seventh to sixth place thanks to improvements across all four components of the Better Jobs Index. As a result, it performs above the regional average in both employment quality and quantity. The most notable result is the score for jobs with living wages, which exceeds the regional average by 7 points. The formality indicator also surpasses the regional average by approximately 3 points. Despite these gains, more than half of workers still do not hold a quality job.

In the quantity dimension, the differences from the regional average are smaller. The Dominican Republic records 78.1 points in labor force participation and 73.9 points in employment, compared with 77.7 and 73.1 points, respectively, for Latin America.



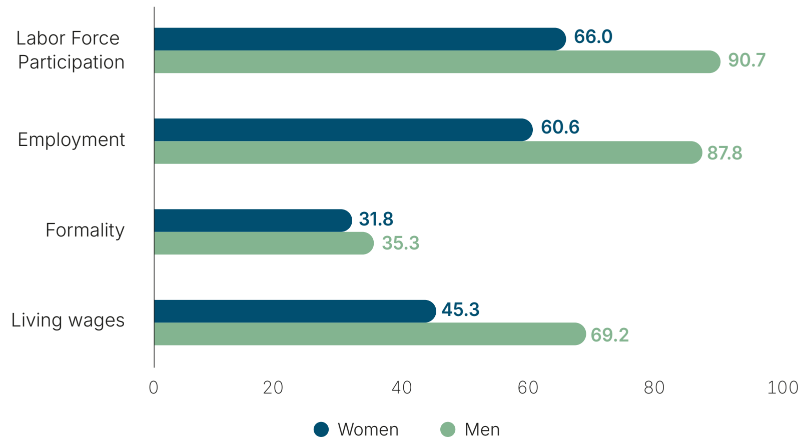
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

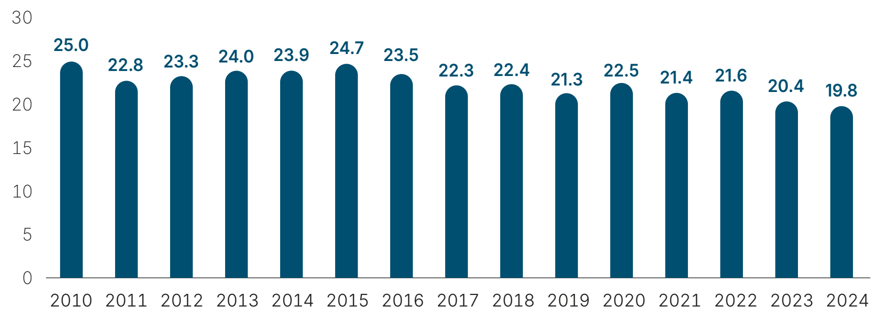
DOMINICAN REPUBLIC

Gender Differences

The Dominican Republic recorded its lowest gender gap ever in the Better Jobs Index, at 19.8 points, consolidating a downward trend observed over the past decade. The country's gender gap is also lower than the Latin American average of 21.0 points.

The largest differences are found in the indicators for jobs with living wages and labor force participation, with gaps of 24.0 and 24.8 points, respectively. The employment gap reaches 27.2 points. In contrast, the gender gap in formality is significantly smaller, at only 3.4 points.

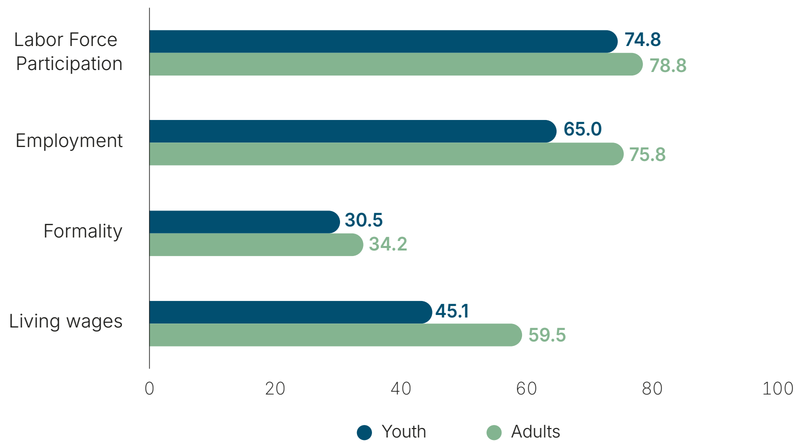


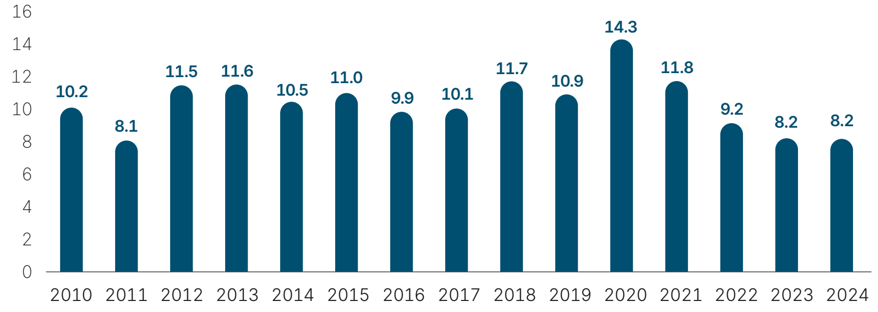


Age Differences

The gap between adults and youth in the Dominican Republic stands at 8.2 points, nearly matching the historical low recorded in 2011. This indicates that the country has significantly reduced age-related disparities and now performs better than the regional average of 9.9 points.

The largest age differences are found in jobs with living wages (14.4 points) and employment (10.8 points). In formality and labor force participation, the differences are 3.7 and 4.0 points, respectively.





*The 2009 value is used as the reference for 2010 due to data availability.

URUGUAY

BETTER JOBS INDEX 2026

LABOR OBSERVATORY

Uruguay Remains the Regional Leader in the Better Jobs Index, Although Youth–Adult Gaps Remain a Challenge

WHAT IS THE BETTER JOBS INDEX AND WHAT DOES IT MEASURE?

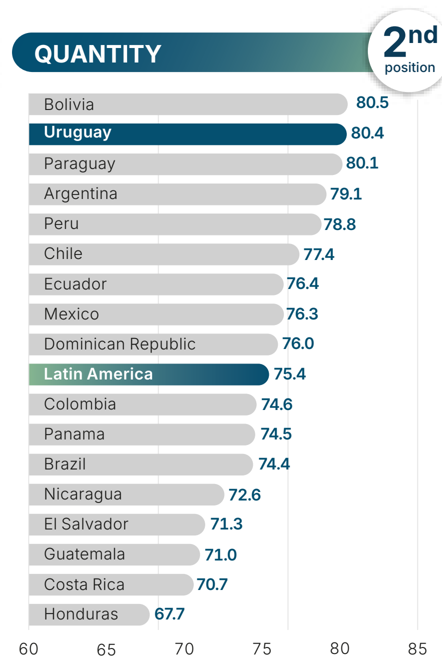
The Better Jobs Index measures labor market outcomes through two dimensions: quantity and quality. The quantity dimension is composed of the labor force participation rate and the employment rate. The quality dimension includes the formality rate and the number of jobs with living wages to overcome poverty. The Index is calculated as the weighted average of these four components and ranges from 0 to 100.

1. Uruguay improved in both dimensions of the Index and remains the regional leader in job quality.
2. The country also posts a strong performance in the quantity dimension.
3. Gender inequality is the lowest in the region, while the gap between youth and adults has narrowed, although it remains the second highest in Latin America.

Uruguay's Better Jobs Index increased by 0.7 points, reaching 72.2 points. As a result, the country maintains the highest score in the region, with a 2.3-point lead over Chile. Uruguay also remains the regional leader in job quality, with 64.0 points, and ranks second in employment quantity, with 80.4 points. Most Uruguayan workers hold a quality job, although roughly one-third still do not.

Position in the Better Jobs Index: 1st of 17

Labor force participation	84.3	Formality rate	60.3
Employment rate	76.5	Living wage	67.7

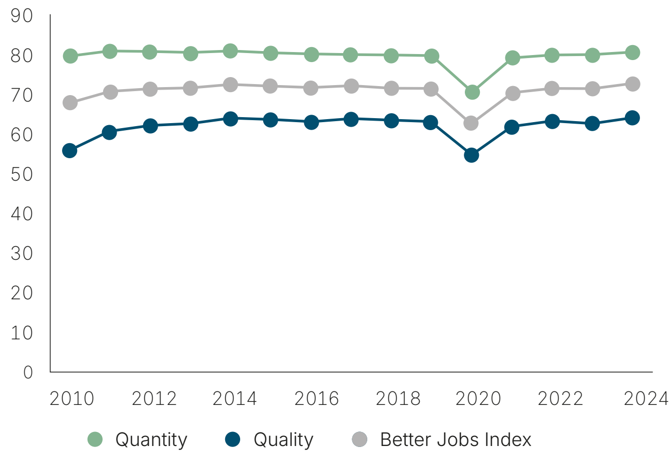


IDB

URUGUAY

Evolution of the Better Jobs Index

Uruguay has maintained a stable trajectory in the Better Jobs Index over the past decade, with scores hovering around 71 points, except for the decline observed in 2020. The country reached its highest level in 2014, at 72.3 points. A similar pattern can be observed in both dimensions of the Index—quality and quantity—which have followed parallel and relatively stable trends.



In Context

WORKING-AGE POPULATION

2.3 million 2022 → **2.3 million** 2024

The adjusted working-age population[1] reached 2.1 million, representing a 1.4% increase compared with the previous edition.

LABOR FORCE

1.7 million 2022 → **1.8 million** 2024

The labor force (employed and unemployed population) remained virtually unchanged at around 1.8 million people.

EMPLOYED POPULATION

1.6 million 2022 → **1.6 million** 2024

The employed population also remained stable.

At a Glance: Uruguay and Latin America

Uruguay performs above the regional average in both dimensions and across all four components of the Better Jobs Index. In the quality dimension, the country substantially outperforms Latin America in both labor formality and jobs with living wages. Uruguay records a formality score of 60.3, the highest in the region, compared with the regional average of 30.8. Likewise, the share of workers in jobs with living wages reaches 67.7, well above the Latin American average of 50.4.

The differences are more moderate in the quantity dimension, although Uruguay also exceeds the regional average in both indicators. The labor force participation rate stands at 84.3, compared with 77.7 for Latin America, while the employment rate reaches 76.5, exceeding the regional average of 73.1.

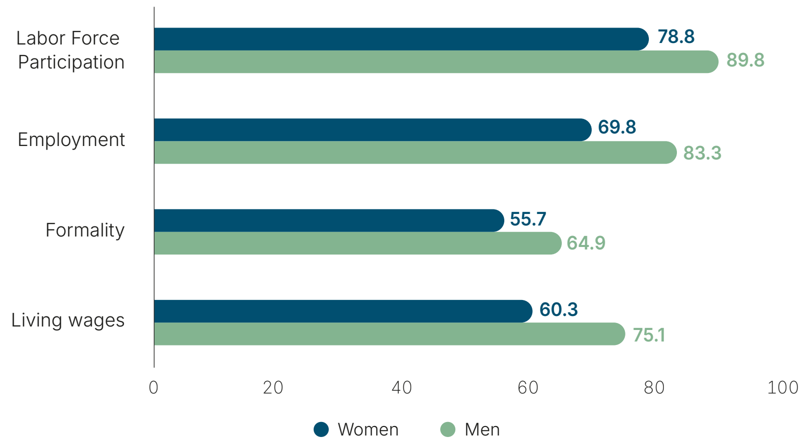
1. Working-age population excluding individuals attending school full-time who neither work nor seek employment.

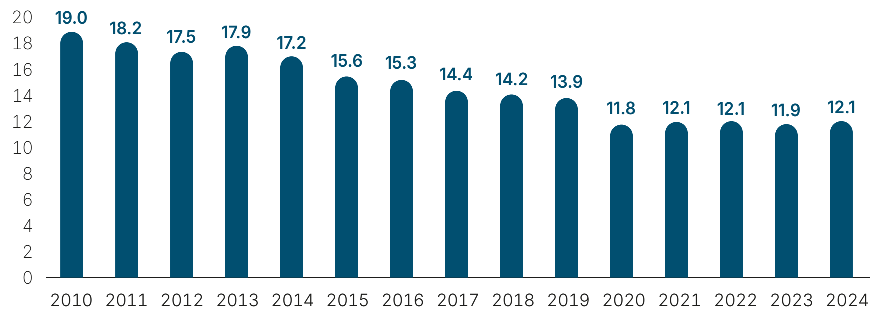
URUGUAY

Gender Differences

Uruguay has the smallest gender gap in the Better Jobs Index in the region. The difference between men and women is 12.1 points, with men scoring 78.3 and women 66.2. This gap is considerably lower than the Latin American average of 21.0 points and has narrowed by nearly 7 points since 2010.

The gender gap is slightly larger in the quantity dimension, where men score 86.6 points compared with 74.3 points for women, a difference of 12.3 points. In the quality dimension, the gap is very similar, at 12.0 points, with men scoring 70.0 points and women 58.0 points.

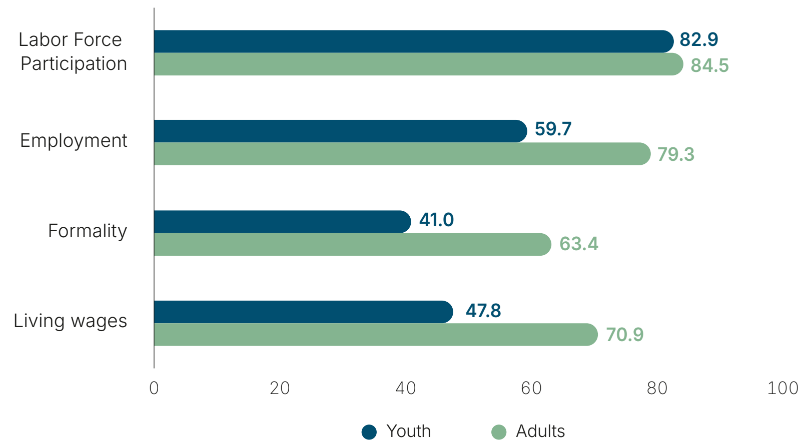


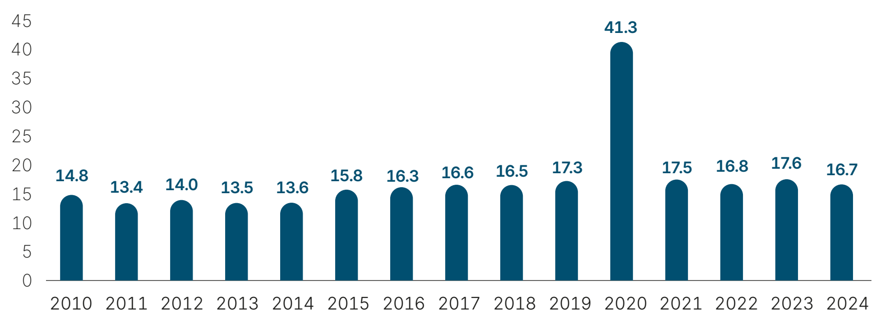


Age Differences

The gap between adults and youth in Uruguay remains substantial and ranks second-largest in the Better Jobs Index. Adults score 16.7 points higher than youth (74.5 versus 57.8), well above the regional average gap of 9.9 points. Although this disparity widened significantly during the pandemic, it has since returned to levels close to those observed beforehand.

The largest differences are found in the quality dimension, where adults score 67.1 points and youth 44.4 points, resulting in a gap of 22.7 points. In the quantity dimension, the disparity is smaller but still significant, at 10.6 points (81.9 versus 71.3).





*The 2009 value is used as the reference for 2010 due to data availability.

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